

Company registration number 00691996 (England and Wales)

SEWELL HEWITT (FARMS) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022
PAGES FOR FILING WITH REGISTRAR

SEWELL HEWITT (FARMS) LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

SEWELL HEWITT (FARMS) LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	3	5,301,967	5,335,744
Investment properties	4	2,355,000	2,355,000
		<u>7,656,967</u>	<u>7,690,744</u>
Current assets			
Stocks		5,600	600
Debtors	5	70,663	60,681
Cash at bank and in hand		316,615	290,237
		<u>392,878</u>	<u>351,518</u>
Creditors: amounts falling due within one year	6	<u>(88,070)</u>	<u>(92,615)</u>
Net current assets		<u>304,808</u>	<u>258,903</u>
Total assets less current liabilities		<u>7,961,775</u>	<u>7,949,647</u>
Provisions for liabilities		<u>(1,004,916)</u>	<u>(1,011,298)</u>
Net assets		<u><u>6,956,859</u></u>	<u><u>6,938,349</u></u>
Capital and reserves			
Called up share capital		73	73
Capital redemption reserve		27	27
Profit and loss reserves		6,956,759	6,938,249
Total equity		<u><u>6,956,859</u></u>	<u><u>6,938,349</u></u>

SEWELL HEWITT (FARMS) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2022

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 October 2022 and are signed on its behalf by:

Mr A J King
Director

Company Registration No. 00691996

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Sewell Hewitt (Farms) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hill Farm, Chillesford, Woodbridge, Suffolk, IP12 3PY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably and the amount of revenue can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	5 -15 years
Fixtures, fittings & equipment	3 - 5 years
Motor vehicles & tractors	see below
Agri 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 disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.4 Investment properties

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.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.12 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	6	6

3 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Agri buildings, reservoir & lagoon £	Total £
Cost or valuation				
At 1 June 2021	4,725,000	1,017,327	407,083	6,149,410
Additions	-	46,025	-	46,025
Disposals	-	(46,544)	-	(46,544)
At 31 May 2022	4,725,000	1,016,808	407,083	6,148,891
Depreciation and impairment				
At 1 June 2021	-	533,138	280,528	813,666
Depreciation charged in the year	-	66,911	9,743	76,654
Eliminated in respect of disposals	-	(43,396)	-	(43,396)
At 31 May 2022	-	556,653	290,271	846,924
Carrying amount				
At 31 May 2022	4,725,000	460,155	116,812	5,301,967
At 31 May 2021	4,725,000	484,189	126,555	5,335,744

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

3 Tangible fixed assets

(Continued)

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

	2022 £	2021 £
Cost	276,453	276,453
Accumulated depreciation	-	-
Carrying value	<u>276,453</u>	<u>276,453</u>

The last full valuation of freehold land and properties was undertaken in October 2021 by James Baker MRICS. The directors do not feel that there has been a significant change in their valuation to the date of signing.

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

	2022 £	2021 £
Cost	420,434	420,434
Accumulated depreciation	(124,692)	(100,713)
Carrying value	<u>295,742</u>	<u>319,721</u>

4 Investment property

	2022 £
Fair value	
At 1 June 2021 and 31 May 2022	<u>2,355,000</u>

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2022 £	2021 £
Cost	697,819	697,819
Accumulated depreciation	-	-
Carrying amount	<u>697,819</u>	<u>697,819</u>

SEWELL HEWITT (FARMS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

4 Investment property

(Continued)

The last full valuation of freehold land and properties was undertaken in October 2021 by James Baker MRICS. The directors do not feel that there has been a significant change in their valuation to the date of signing.

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	34,780	41,170
Other debtors	35,883	19,511
	<u>70,663</u>	<u>60,681</u>

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	57,061	37,098
Taxation and social security	22,553	13,120
Other creditors	8,456	42,397
	<u>88,070</u>	<u>92,615</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.