

COMPANY REGISTRATION NUMBER: 07462134

Denmark Farm Conservation Centre Ltd
Company Limited by Guarantee
Filleted Unaudited Financial Statements
31 March 2017

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2017

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Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Officers and Professional Advisers

The board of directors

G E Strachan
G A Hopwood
A Smith

Registered office

Denmark Farm
Betws Bledrws
Lampeter
Ceredigion
SA48 8PB

Accountants

Francis Gray
Chartered accountant
Ty Madog
32 Queens Road
Aberystwyth
Ceredigion
SY23 2HN

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Directors' Report

Year ended 31 March 2017

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2017 .

Principal activities

The principal activity of the company in the year under review was the letting of visitor accommodation and associated activities. The company (DFCC Ltd) was established in December 2010 as a Company Limited by Guarantee. This was accomplished in order to create a duly constituted trading role under the aegis of its parent registered charity, the Shared Earth Trust (SET) based at Denmark Farm, Betws Bledrws, Lampeter, Ceredigion. All trading profit will be covenanted to support the work of SET and the company's activities must always conform to SET's charitable objects and ethos. DFCC Ltd.'s main remit is to generate revenue by letting and managing holiday visitor accommodation and associated facilities at Denmark Farm. With the approval of the Charity Commission, SET transferred a plot of land to DFCC Ltd at Denmark Farm on which the accommodation, known as the Ecolodge stands. Principal Activity The principal activity of the company in the year under review was that of the marketing and letting of visitor accommodation and associated activities including an extensive range of educational courses linked to the charitable aims of the Shared Earth Trust. The directors meet at least six times per annum to review the financial performance of the company and to receive reports from the company's employees. Meetings are often linked to the meetings of the Board of Trustees in order to report to the Board of Trustees and to receive strategic direction from the Trustees.

Incorporation

The company commenced trading on 21st March 2013. Budgets and targets are set annually and progress is reviewed regularly by the directors throughout the year.

Directors

The directors who served the company during the year were as follows:

G E Strachan

G A Hopwood

A Smith

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 26 September 2017 and signed on behalf of the board by:

G A Hopwood

A Smith

Chairman

Director

Company Secretary

Registered office:

Denmark Farm

Betws Bledrws

Lampeter

Ceredigion

SA48 8PB

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Denmark Farm Conservation Centre Ltd

Year ended 31 March 2017

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 March 2017, which comprise the statement of financial position, statement of changes in equity and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

Francis Gray Chartered accountant

Ty Madog 32 Queens Road Aberystwyth Ceredigion SY23 2HN

26 September 2017

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	281,733	297,409
Current assets			
Stocks		3,001	3,334
Debtors	7	—	425
Cash at bank and in hand		9,425	11,242
		12,426	15,001
Creditors: amounts falling due within one year	8	93,250	72,205
Net current liabilities		80,824	57,204
Total assets less current liabilities		200,909	240,205
Creditors: amounts falling due after more than one year	9	171,682	275,787
Net assets/(liabilities)		29,227	(35,582)
Capital and reserves			
Revaluation reserve		64,389	—
Profit and loss account		(35,162)	(35,582)
Members funds/(deficit)		29,227	(35,582)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2017

These financial statements were approved by the board of directors and authorised for issue on 26 September 2017 , and are signed on behalf of the board by:

G A Hopwood

Chairman

A Smith

Director

Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Statement of Changes in Equity

Year ended 31 March 2017

		Revaluation reserve	Profit and loss account	Total
	Note	£	£	£
At 1 April 2015		–	(17,965)	(17,965)
Loss for the year			(17,617)	(17,617)
		----	-----	-----
Total comprehensive income for the year		–	(17,617)	(17,617)
At 31 March 2016		–	(35,582)	(35,582)
Profit for the year			420	420
Other comprehensive income for the year:				
Revaluation of tangible assets	6	64,389	–	64,389
		-----	-----	-----
Total comprehensive income for the year		64,389	420	64,809
		-----	-----	-----
At 31 March 2017		64,389	(35,162)	29,227
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Denmark Farm Conservation Centre Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Denmark Farm, Betws Bledrws, Lampeter, Ceredigion, SA48 8PB.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	Revaluation method
Fixtures & Fittings	-	25% straight line
Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Company limited by guarantee

The company's liability is limited by the guarantee entered in by the members. Every member undertakes to contribute to the assets of the company in the event of it being wound up during the member's period of membership, or within a year afterwards for payment of the debt and liabilities contracted before the member ceased to be a member such amount not exceeding £1 for any member.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2016: 1).

6. Tangible assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost or valuation				
At 1 April 2016	329,560	25,610	1,458	356,628
Additions	18,773	—	197	18,970
Revaluations	23,523	—	—	23,523
Other movements	(96,856)	—	—	(96,856)
At 31 March 2017	275,000	25,610	1,655	302,265
Depreciation				
At 1 April 2016	40,866	17,442	911	59,219
Charge for the year	—	2,042	137	2,179
Revaluations	(40,866)	—	—	(40,866)
At 31 March 2017	—	19,484	1,048	20,532
Carrying amount				
At 31 March 2017	275,000	6,126	607	281,733
At 31 March 2016	288,694	8,168	547	297,409

Tangible assets held at valuation

The ecolodge owned by the company was valued at £275,000 on the 12 July 2017, agreed to be the value as at the 31 March 2017 by Andrew Morgan FRICS FAAV of Morgan & Davies. The asset revaluation has been recognised in the current year following a change in policy, it was agreed to adopt the revaluation model to be comparable with the charity of which it is the trading subsidiary once they have transition to FRS102 Charity SORP.

7. Debtors

	2017 £	2016 £
Trade debtors	—	425

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	10,757	11,034
Trade creditors	3,041	1,354
Amounts owed to group undertakings and undertakings in which the company has a participating interest	77,573	57,573
Social security and other taxes	829	1,344
Other creditors	1,050	900
	93,250	72,205

9. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	149,182	156,431
Amounts owed to group undertakings and undertakings in which the company has a participating interest	22,500	22,500
Other creditors	—	96,856

171,682

275,787

Amounts owed to group undertakings are made up as follows:

	2017	2016
£	£	
Falling due within one year:		
'Core' borrowing	75,073	55,073
Loan repayable re land transfer	2,500	2,500
Falling due more than one year:		
Loan repayable re land transfer 1-5 years	3,332	3,332
Loan repayable re land transfer 5+ years	19,168	19,168
	<u>100,073</u>	<u>80,073</u>

The group undertaking is the parent registered charity, the Shared Earth Trust, which has provided financial assistance to its trading subsidiary. In addition to core funding provided of £55,073 at 31st March 2016 (£55,073 - 2015), mortgage assistance has been given by the charity. On 27th June 2012, a 30 year mortgage was provided at an annual rate of interest of 5%. The principal amount was £25,000, secured by land transferred to DFCC by the Shared Earth Trust. As at the year end no repayments had been made nor interest charged in the accounts in connection with the mortgage. The Bank loan (from the Ecology Building Society) is made up as follows:

	2017	2016
£	£	
repayable		
within 1 year	10,757	11,034
1-2 years	10,757	11,034
2-5 years	32,271	33,103
more than 5 years	106,154	112,294
	<u>159,939</u>	<u>167,465</u>

The mortgages from the Ecology Building Society and The Shared Earth Trust are secured over the land and property.

10. Related party transactions

Messrs G A Hopwood , A Smith and G E Strachan are trustees of Shared Earth Trust, the parent charity of DFCC Ltd. In the year to 31st March 2014, the charity had advanced monies and services to DFCC as an interest free loan repayable on demand. The Shared Earth Trust provided further finance to DFCC Ltd on the 27th June 2012, in the form of a 30 year mortgage at an annual interest rate of 5%. The principle amount was £25,000, no repayments have been made to date.

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.