

REGISTERED NUMBER: 00614817 (England and Wales)

Unaudited Financial Statements for the Year Ended 31st December 2018

for

F.G.Pierce & Sons Limited

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for the Year Ended 31st December 2018**

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DIRECTORS: Mr W F Pierce
Mrs R J Pierce
Mr A W Pierce
Mrs M J Montgomerie

SECRETARY: Mr A W Pierce

REGISTERED OFFICE: Orchard Place Farm
Comp Road
Borough Green
Sevenoaks
Kent
TN15 8QX

REGISTERED NUMBER: 00614817 (England and Wales)

ACCOUNTANTS: MHA MacIntyre Hudson
Victoria Court
17-21 Ashford Road
Maidstone
Kent
ME14 5DA

**Balance Sheet
31st December 2018**

| | Notes | 2018 | | 2017 | |
|--|-------|----------------|-------------------------|------------------|-------------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 493,150 | | 526,949 |
| Investments | 5 | | 8,026 | | 8,026 |
| Investment property | 6 | | <u>2,363,713</u> | | <u>2,363,713</u> |
| | | | <u>2,864,889</u> | | <u>2,898,688</u> |
| CURRENT ASSETS | | | | | |
| Stocks | | 370,319 | | 240,735 | |
| Debtors | 7 | 188,652 | | 287,419 | |
| Cash at bank and in hand | | <u>366,871</u> | | <u>410,387</u> | |
| | | 925,842 | | 938,541 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 8 | <u>912,717</u> | | <u>1,188,392</u> | |
| NET CURRENT ASSETS/(LIABILITIES) | | | <u>13,125</u> | | <u>(249,851)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 2,878,014 | | 2,648,837 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 9 | | (775,489) | | (984,953) |
| PROVISIONS FOR LIABILITIES | | | <u>(8,254)</u> | | <u>(3,778)</u> |
| NET ASSETS | | | <u><u>2,094,271</u></u> | | <u><u>1,660,106</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 12 | | 54,000 | | 54,000 |
| Capital redemption reserve | | | 55,000 | | 55,000 |
| Retained earnings | | | <u>1,985,271</u> | | <u>1,551,106</u> |
| SHAREHOLDERS' FUNDS | | | <u><u>2,094,271</u></u> | | <u><u>1,660,106</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31st December 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 14th May 2019 and were signed on its behalf by:

Mr W F Pierce - Director

**Notes to the Financial Statements
for the Year Ended 31st December 2018**

1. STATUTORY INFORMATION

F.G.Pierce & Sons Limited is a private company, limited by shares, registered in England and Wales.

The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Significant judgements and estimates

The directors have estimated the market value of the company's investment properties based on an initial valuation prepared by Hobbs Parker Property Consultants LLP in April 2014, and applying the same criteria to the current year. No other significant judgements and estimates have been made by management in preparing these financial statements.

Turnover

Turnover comprises amounts derived from the provision of goods and services in the normal course of business, net of discounts and value added tax.

Income received from the company's portfolio of rental units is included in turnover since this is considered to be part of the company's trading activities.

Income due under the Basic Payment Scheme is included in turnover for the calendar year to which it relates provided that, at the balance sheet date, the qualifying conditions have been met.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

| | |
|-----------------------|-------------------------------|
| Long leasehold | - 10% on cost |
| Plant and machinery | - 25% on cost and 15% on cost |
| Tractors and vehicles | - 25% on cost |
| Office Equipment | - 25% on cost and 10% on cost |

Freehold land is not depreciated.

Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Such properties are initially measured at cost, including transaction costs. Subsequently investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in the Income Statement.

Other fixed assets investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stocks

Stock is valued at the lower of cost or net realisable value, less monies received on account for

harvested crops.

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2018**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments.

Debtors, creditors and loans which are repayable within one year with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the Income Statement under other administrative expenses.

Loans and borrowings which are payable in more than one year are initially recognised at the transaction price including transaction costs. Subsequently they are measured at amortised cost using the effective interest rate method, less impairment.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pensions

The pension costs charged in the financial statements represent the contributions paid in respect of the company's defined contribution pension scheme during the year..

Hire purchase and leasing commitments

Property, plant and equipment acquired under finance leases or hire purchase contracts is capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Operating leases

Rentals payable under operating leases are charged in the Income Statement on a straight line basis over the lease term.

Going concern

The accounts have been prepared on the going concern basis. No material uncertainties which may cast significant doubt about the company's ability to continue as a going concern have been identified by the directors.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 5 (2017 - 6) . continued...

Notes to the Financial Statements - continued
for the Year Ended 31st December 2018

4. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|------------------------|----------------------------|------------------------------------|------------------|
| COST | | | |
| At 1st January 2018 | 462,788 | 1,487,728 | 1,950,516 |
| Additions | 13,232 | 75,591 | 88,823 |
| Disposals | - | (20,056) | (20,056) |
| At 31st December 2018 | <u>476,020</u> | <u>1,543,263</u> | <u>2,019,283</u> |
| DEPRECIATION | | | |
| At 1st January 2018 | 140,510 | 1,283,057 | 1,423,567 |
| Charge for year | 21,317 | 101,305 | 122,622 |
| Eliminated on disposal | - | (20,056) | (20,056) |
| At 31st December 2018 | <u>161,827</u> | <u>1,364,306</u> | <u>1,526,133</u> |
| NET BOOK VALUE | | | |
| At 31st December 2018 | <u>314,193</u> | <u>178,957</u> | <u>493,150</u> |
| At 31st December 2017 | <u>322,278</u> | <u>204,671</u> | <u>526,949</u> |

Included within the total net book value of tangible assets is £Nil (2017: £Nil) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £Nil (2017: £31,875).

5. FIXED ASSET INVESTMENTS

| | Other investments £ |
|---|---------------------------|
| COST | |
| At 1st January 2018 and 31st December 2018 | <u>8,026</u> |
| NET BOOK VALUE | |
| At 31st December 2018 | <u>8,026</u> |
| At 31st December 2017 | <u>8,026</u> |

Fixed asset investments are included at cost, being the directors' best estimate of their value.

6. INVESTMENT PROPERTY

| | Total £ |
|---|------------------|
| FAIR VALUE | |
| At 1st January 2018 and 31st December 2018 | <u>2,363,713</u> |
| NET BOOK VALUE | |
| At 31st December 2018 | <u>2,363,713</u> |
| At 31st December 2017 | <u>2,363,713</u> |

Notes to the Financial Statements - continued
for the Year Ended 31st December 2018

6. **INVESTMENT PROPERTY - continued**

The properties have been reflected in the accounts at open market value at 31 December 2018 as estimated by the directors and based on a valuation by Mr M Sawdon MRICS of Hobbs Parker Property Consultants LLP, carried out in April 2014.

On a historical cost basis these properties would have been included at an original cost of £2,740,615 (2017 : £2,740,615).

The properties above are let out on operating leases.

7. **DEBTORS**

| | 2018 £ | 2017 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 141,658 | 222,506 |
| Other debtors | <u>40,378</u> | <u>56,945</u> |
| | <u>182,036</u> | <u>279,451</u> |
| Amounts falling due after more than one year: | | |
| Other debtors | <u>6,616</u> | <u>7,968</u> |
| Aggregate amounts | <u>188,652</u> | <u>287,419</u> |

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 £ | 2017 £ |
|---------------------------------------|----------------|------------------|
| Bank loans and overdrafts | 196,628 | 304,534 |
| Hire purchase contracts (see note 10) | - | 25,600 |
| Trade creditors | 493,240 | 679,247 |
| Taxation and social security | 107,877 | 73,312 |
| Other creditors | <u>114,972</u> | <u>105,699</u> |
| | <u>912,717</u> | <u>1,188,392</u> |

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 2018 £ | 2017 £ |
|--|----------------|----------------|
| Bank loans | <u>775,489</u> | <u>984,953</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans over 5 years by instalments | <u>-</u> | <u>74,318</u> |
| | <u>-</u> | <u>74,318</u> |

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2018**

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| | Hire purchase contracts | |
|----------------------------|----------------------------------|----------------|
| | 2018 | 2017 |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | <u>-</u> | <u>25,600</u> |
| | | |
| | Non-cancellable operating leases | |
| | 2018 | 2017 |
| | £ | £ |
| Within one year | 22,000 | 23,144 |
| Between one and five years | 98,415 | 90,000 |
| | <u>120,415</u> | <u>113,144</u> |

The lease commitments for the period between one and five years relates to two agreements which ends in 2021 and 2022 respectively, for which the annual lease commitments are £24,000 and £8,650.

11. SECURED DEBTS

The following secured debts are included within creditors:

| | 2018 | 2017 |
|-------------------------|----------------|------------------|
| | £ | £ |
| Bank overdraft | - | 71,493 |
| Bank loans | 972,117 | 1,217,994 |
| Hire purchase contracts | - | 25,600 |
| | <u>972,117</u> | <u>1,315,087</u> |

The bank loan and overdraft are secured by a debenture over the assets of the company, a first charge over the property, a personal guarantee given by Mr W.F. Pierce and the assignment of a life policy in relation to Mr A.W. Pierce. Assets held under hire purchase contracts and finance leases are secured on the assets concerned.

12. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | 2018 | 2017 |
|----------------------------------|----------|----------------|---------------|---------------|
| Number: | Class: | Nominal value: | £ | £ |
| 54,000 | Ordinary | £1 | <u>54,000</u> | <u>54,000</u> |

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

An interest free loan, for which there are no fixed repayment terms, has been made to a director. Repayments totalling £2,160 have been made during the year and £2,000 has been waived by the company. The balance owing to the company at the year end date was £20,358 (2017 : £24,518).

14. RELATED PARTY DISCLOSURES

Directors' remuneration paid in the year, including benefits and pension contributions, amounted to £114,941 (2017 : £111,020).