

Registered number: 00501658

Newmafruit Farms Limited

**Directors' report and financial statements
for the year ended 31 May 2018**



Newmafruit Farms Limited

Company information

Directors

M L Newman
K H Newman
T G Newman
W P Milne (appointed 8 June 2017, resigned 24 August 2017)
P C Nicholls (appointed 2 October 2017)

Registered number

00501658

Registered office

Howfield Farm
Howfield Lane
Chartham
Canterbury
Kent
CT4 7HQ

Independent auditors

Chavereys
Chartered Accountants and Statutory Auditors
Mall House
The Mall
Faversham
Kent
ME13 8JL

Newmafruit Farms Limited

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Newmafruit Farms Limited

Group strategic report for the year ended 31 May 2018

Introduction

The group's principal activities continue to be those of: growing, packing, storage, handling, distribution & the provision of other related services within the fresh produce sector.

The consolidated profit & loss account on page 9 reflects the results for the group for the financial year, ended 31 May 2018.

Business review

Within the context of challenging operating conditions, we have delivered significant improvements in our key metrics during the 2017/18 year. We have secured both the growth & the profitability that was predicted for our core business a year ago.

Group turnover grew year on year by 5.3% to £22.53m (2017: £21.40m), driven by the successful marketing of a shorter topfruit crop & the development of a broader client base for our 3rd party service provision activity.

Group gross profit margin rose in the year by 8.4% to 21.4% (2017: 13%), reflecting the sustained efforts & improvement in input cost control & productive efficiency.

Newmafruit Farms turnover grew by 21% in the year, driven by the prudent marketing of a limited topfruit crop so as to preserve unit values & supported by good results in the soft & stonefruit sectors. Continued diligence in the management of direct costs saw Newmafruit Farms' Gross Profit Margin sustain its upward trend to 18.1% for the year (2017: 5.4%).

The directors anticipate that our market place will remain challenging for the foreseeable future, as a price sensitive retail arena combines with input cost inflation & increasing financial burdens on the employer. Newmafruit will meet these challenges by means of investment in staff engagement & development, operational & administrative efficiency, horticultural yields & the elimination of waste.

Newmafruit International's turnover grew by 9.4% in the year as the decline in the strategic customer base during the previous year was addressed with the establishment of new & sustainable partnerships. The simultaneous realignment of business costs with the new shape of this enterprise allowed International's Gross Margin to recover to 26% in the financial year (2017: 16%).

Shanatova Ltd. & Icosagon Ltd. are group companies established during 2015/16 to construct & market domestic buildings. In the year ending 31 May 2018 Shanatova achieved a gross profit margin of 19% on turnover of £2.9m for a net profit of £26,636. Icosagon achieved gross margin of 14% on £245,000 turnover for a net loss of £8,737. The subsidiaries' projects have been completed; the directors expect to liquidate these businesses during 2019.

Principal risks and uncertainties

Key business risks & uncertainties affecting the group continue to be: competition from other growers & service providers, the extreme price sensitivity within the fresh produce arena & the maintenance of robust, effective relationships with all group stakeholders. On top of which is the growing spectre of uncertainty around the imminent Brexit & the nature of any deal that might be struck between the UK & the remaining EU states. The management integrates the protection of its relationships & the development of contingencies within its wider corporate strategy.

Financial key performance indicators

The group measures KPIs on a weekly & monthly basis as part of its internal control processes. They are considered under the following headings:

- Safety, quality & the environment
- People productivity & facilities
- Financial performance
- Customers & markets

Given the size, structure & nature of the business, the company's directors hold the view that additional disclosure regarding the use of KPIs is not necessary for the understanding of the performance & position of the business.

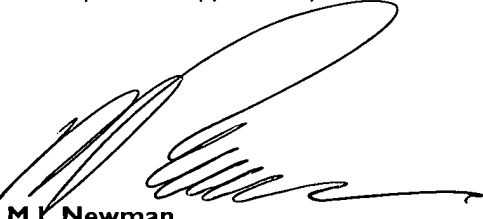
Newmafruit Farms Limited

Group strategic report (continued) for the year ended 31 May 2018

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'M L Newman', is written over the printed name.

M L Newman
Director

Date: **30/10/2018**

Newmafruit Farms Limited

Directors' report for the year ended 31 May 2018

The directors present their report and the financial statements for the year ended 31 May 2018.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,308,775 (2017 - loss £1,785,308).

Directors

The directors who served during the year were:

M L Newman
K H Newman
T G Newman
P C Nicholls (appointed 2 October 2017)

Future developments

The directors will continue to implement the strategy for growth, with further continuous improvement to unlock capacity, and investment in people, plant and machinery to drive efficiency and margin, enabling the business to remain at the forefront of a changing marketplace.

Newmafruit Farms Limited

Directors' report (continued) for the year ended 31 May 2018

Financial instruments

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, loans to the company and finance lease agreements. The main purpose of these instruments is to raise funds for the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below:

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts where necessary, at floating rates of interest. The company makes use of money market facilities where funds are available.

In respect of loans these comprise loans from financial institutions and directors. The interest rate on the loans from financial institutions is variable but the regular repayments are fixed. The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

The company is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed in the same way as the above loans.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Given the size of the group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board are implemented by the finance department.

Employee involvement

The group places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the group. This is achieved through informal and formal meetings and regular updates on company notice boards. Employee representatives are consulted regularly on a wide range of matters affecting current and future interests.

Disabled employees

Applications for employment by disabled persons are fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible be identical with that of other employees.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the group since the year end.

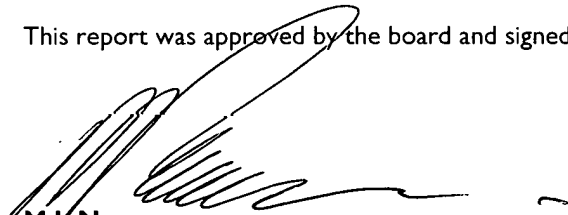
Newmafruit Farms Limited

Directors' report (continued) for the year ended 31 May 2018

Auditors

The auditors, Chavereys, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M L Newman
Director

Date: 30/10/2018

Newmafruit Farms Limited

Independent auditors' report to the shareholders of Newmafruit Farms Limited

Opinion

We have audited the financial statements of Newmafruit Farms Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2018, which comprise the group statement of comprehensive income, the group and company balance sheets, the group statement of cash flows, the group and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 May 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

~~We have nothing to report in this regard.~~

Newmafruit Farms Limited

Independent auditors' report to the shareholders of Newmafruit Farms Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Newmafruit Farms Limited

Independent auditors' report to the shareholders of Newmafruit Farms Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Iain Morris BSc FCA (senior statutory auditor)
for and on behalf of

Chavereys

Chartered Accountants and Statutory Auditors
Faversham

Date: 30 October 2018

Newmafruit Farms Limited

Consolidated statement of comprehensive income for the year ended 31 May 2018

	Note	2018 £	2017 £
Turnover	4	22,541,631	21,399,761
Cost of sales		(17,726,173)	(18,624,797)
Gross profit		4,815,458	2,774,964
Administrative expenses		(2,887,775)	(3,220,106)
Other operating income	5	241,370	331,165
Other operating charges (exceptional items)		(193,608)	(1,556,342)
Operating profit/(loss)	6	1,975,445	(1,670,319)
Interest receivable and similar income	10	2,131	7,839
Interest payable and expenses	11	(19,829)	(89,719)
Profit/(loss) before taxation		1,957,747	(1,752,199)
Tax on profit/(loss)	12	(648,972)	(33,109)
Profit/(loss) for the financial year		1,308,775	(1,785,308)
Total comprehensive income for the year		1,308,775	(1,785,308)
Profit/(loss) for the year attributable to:			
Owners of the parent company		1,308,775	(1,785,308)
		1,308,775	(1,785,308)
Total comprehensive income for the year attributable to:			
Owners of the parent company		1,308,775	(1,785,308)
		1,308,775	(1,785,308)

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited
Registered number:00501658

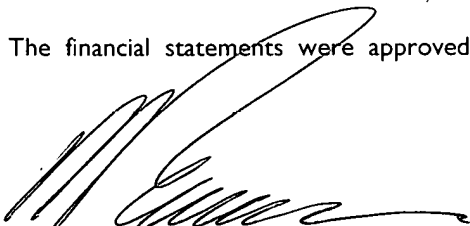
Consolidated balance sheet
as at 31 May 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	14	18,015,774	17,845,911
Investments	15	1,022	1,022
		<u>18,016,796</u>	<u>17,846,933</u>
Current assets			
Stocks	16	979,656	3,111,362
Debtors: amounts falling due within one year	17	2,668,881	4,358,671
Current asset investments	18	2,100,165	-
Cash at bank and in hand		3,857,319	2,210,664
		<u>9,606,021</u>	<u>9,680,697</u>
Creditors: amounts falling due within one year	19	(1,955,909)	(3,428,490)
Net current assets		<u>7,650,112</u>	<u>6,252,207</u>
Total assets less current liabilities		<u>25,666,908</u>	<u>24,099,140</u>
Creditors: amounts falling due after more than one year	20	(244,628)	(239,048)
Provisions for liabilities			
Deferred taxation	23	(1,040,420)	(787,007)
		<u>(1,040,420)</u>	<u>(787,007)</u>
Net assets		<u>24,381,860</u>	<u>23,073,085</u>
Capital and reserves			
Called up share capital	24	2,321	2,321
Share premium account	25	13,000	13,000
Revaluation reserve	25	13,594,940	13,594,940
Capital redemption reserve	25	680	680
Profit and loss account	25	10,770,871	9,462,096
Equity attributable to owners of the parent company		<u>24,381,812</u>	<u>23,073,037</u>
Non-controlling interests		48	48
		<u>24,381,860</u>	<u>23,073,085</u>

Newmafruit Farms Limited
Registered number:00501658

Consolidated balance sheet (continued)
as at 31 May 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on **30/10/2018**

A handwritten signature in black ink, appearing to read 'M L Newman', is written over a horizontal line.

M L Newman
Director

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited
Registered number:00501658

Company balance sheet
as at 31 May 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	14	17,066,543	17,108,786
Investments	15	203,022	203,022
		<u>17,269,565</u>	<u>17,311,808</u>
Current assets			
Stocks	16	620,900	398,986
Debtors: amounts falling due within one year	17	2,041,338	5,609,586
Current asset investments	18	2,100,165	-
Cash at bank and in hand		2,601,694	436,654
		<u>7,364,097</u>	<u>6,445,226</u>
Creditors: amounts falling due within one year	19	(8,123,569)	(8,755,684)
Net current liabilities		<u>(759,472)</u>	<u>(2,310,458)</u>
Total assets less current liabilities		<u>16,510,093</u>	<u>15,001,350</u>
Creditors: amounts falling due after more than one year	20	(82,677)	(53,845)
Provisions for liabilities			
Deferred taxation	23	(1,007,673)	(784,000)
		<u>(1,007,673)</u>	<u>(784,000)</u>
Net assets		<u>15,419,743</u>	<u>14,163,505</u>
Capital and reserves			
Called up share capital	24	2,321	2,321
Revaluation reserve	25	13,594,940	13,594,940
Capital redemption reserve	25	680	680
Profit and loss account	25	1,821,802	565,564
		<u>15,419,743</u>	<u>14,163,505</u>

Newmafruit Farms Limited
Registered number:00501658

Company balance sheet (continued)
as at 31 May 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

30/10/2018



M L Newman

Director

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited

**Consolidated statement of changes in equity
for the year ended 31 May 2018**

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent company	Non- controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 June 2016	2,321	13,000	680	13,594,940	11,247,404	24,858,345	48	24,858,393
Loss for the year	-	-	-	-	(1,785,308)	(1,785,308)	-	(1,785,308)
At 1 June 2017	2,321	13,000	680	13,594,940	9,462,096	23,073,037	48	23,073,085
Profit for the year	-	-	-	-	1,308,775	1,308,775	-	1,308,775
At 31 May 2018	2,321	13,000	680	13,594,940	10,770,871	24,381,812	48	24,381,860

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited

Company statement of changes in equity for the year ended 31 May 2018

	Called up share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 June 2016	2,321	680	13,594,940	2,464,295	16,062,236
Loss for the year	-	-	-	(1,898,731)	(1,898,731)
At 1 June 2017	2,321	680	13,594,940	565,564	14,163,505
Profit for the year	-	-	-	1,256,238	1,256,238
At 31 May 2018	2,321	680	13,594,940	1,821,802	15,419,743

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited

Consolidated statement of cash flows for the year ended 31 May 2018

	2018 £	2017 £
Cash flows from operating activities		
Profit/(loss) for the financial year	1,308,775	(1,785,308)
Adjustments for:		
Depreciation of tangible assets	442,129	440,452
Loss on disposal of tangible assets	(2,195)	(4,512)
Interest paid	19,829	89,721
Interest received	(2,131)	(7,839)
Taxation charge	648,972	33,109
Decrease in stocks	2,131,706	260,210
Decrease in debtors	1,604,278	4,115,181
(Decrease) in creditors	(7,928)	(2,556,785)
Corporation Tax (paid)	(310,047)	(1,042)
Net cash generated from operating activities	5,833,388	583,187
Cash flows from investing activities		
Purchase of tangible fixed assets	(670,898)	(391,102)
Sale of tangible fixed assets	61,100	16,749
Purchase of short term unlisted investments	(2,100,165)	-
Interest received	2,131	7,839
HP interest paid	(8,863)	(9,801)
Net cash from investing activities	(2,716,695)	(376,315)
Cash flows from financing activities		
Repayment of loans	(1,500,000)	(2,501,310)
Repayment of/new finance leases	40,930	70,415
Interest paid	(10,968)	(79,920)
Net cash used in financing activities	(1,470,038)	(2,510,815)
Net increase/(decrease) in cash and cash equivalents	1,646,655	(2,303,943)
Cash and cash equivalents at the beginning of the year	2,210,664	4,514,607
Cash and cash equivalents at the end of the year	3,857,319	2,210,664
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	3,857,319	2,210,664
	3,857,319	2,210,664

The notes on pages 17 to 38 form part of these financial statements.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

1. General information

- Newmafruit Farms 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. The nature of the company's operations and its principal activities are set out in the strategic review.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

**Notes to the financial statements
for the year ended 31 May 2018**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pounds sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group 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. The following criteria must also be met before turnover is recognised:

2.6 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 schemes 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.

2.7 Operating leases: the group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

**Notes to the financial statements
for the year ended 31 May 2018**

2. Accounting policies (continued)

2.9 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.10 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.12 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income 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 group in independently administered funds.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, 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 and the group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

2. Accounting policies (continued)

2.14 Research and development

Research and development expenditure is written off in the year in which it was incurred.

2.15 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.

Tangible fixed assets include biological assets (see accounting policy 2.18).

Orchards and other equipment purchased through producer organisations but used by the company are not included in tangible fixed assets.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both straight line and reducing balance methods.

Depreciation is provided on the following basis:

Freehold land and property	- 0% - 2% straight line
S/Term leasehold land and property	- 10% straight line
Plant and machinery	- 15% - 20% reducing balance
Motor vehicles	- 20% - 25% reducing balance
Office equipment	- 15% - 20% reducing balance
Fixtures and fittings	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

The company elected to revalue land and property at deemed cost on transition to FRS 102 and has not adopted an ongoing policy of revaluation.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Stock

Agricultural produce harvested from the company's biological assets is valued at the lower of cost and estimated selling price less costs to complete and sell. Other stock items are valued at the lower of cost and net realisable value less any provision for impairment.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

2. Accounting policies (continued)

2.18 Biological assets

Biological assets are living plants controlled by the company from which it expects to derive future economic benefits. Biological assets are measured at the lower of cost less any accumulated depreciation and impairment losses.

2.19 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.

2.20 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.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.21 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.

2.22 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.23 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**Notes to the financial statements
for the year ended 31 May 2018**

2. Accounting policies (continued)

2.24 Financial instruments

The group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The company makes certain estimates and judgments regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates. The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follow.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

4. Turnover

All turnover arose within the United Kingdom.

5. Other operating income

	2018 £	2017 £
Other operating income	78,031	177,636
Net rents receivable	163,339	153,529
	<u>241,370</u>	<u>331,165</u>

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2018 £	2017 £
Other operating lease rentals	502,778	483,797

7. Auditors' remuneration

	2018 £	2017 £
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	17,000	19,000
Fees payable to the group's auditor and its associates in respect of:		
All other services	22,339	22,339
	<u>22,339</u>	<u>22,339</u>

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Wages and salaries	6,077,936	6,992,385	2,369,422	2,272,245
Social security costs	481,160	523,607	199,284	181,195
Cost of defined contribution scheme	45,707	49,304	15,764	15,483
	<u>6,604,803</u>	<u>7,565,296</u>	<u>2,584,470</u>	<u>2,468,923</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Management	13	14
Administration	17	21
Production and harvest	303	372
	<u>333</u>	<u>407</u>

The company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL)

9. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	138,512	250,914
	<u>138,512</u>	<u>250,914</u>

During the year retirement benefits were accruing to no directors (2017 - £NIL) in respect of defined contribution pension schemes.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,765 (2017 - £NIL).

10. Interest receivable

	2018 £	2017 £
Other interest	2,131	7,839
	<u>2,131</u>	<u>7,839</u>

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

11. Interest payable and similar expenses

	2018 £	2017 £
Bank interest	10,966	79,918
Finance leases and hire purchase contracts	8,863	9,801
	<u>19,829</u>	<u>89,719</u>

12. Taxation

	2018 £	2017 £
Corporation Tax		
Adjustments in respect of previous periods	395,559	-
	<u>395,559</u>	<u>-</u>
Total current tax	<u>395,559</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(253,413)	(33,109)
Total deferred tax	<u>253,413</u>	<u>33,109</u>
Taxation on profit on ordinary activities	<u>648,972</u>	<u>33,109</u>

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - higher than) the standard rate of Corporation Tax in the UK of 19% (2017 - 19.83%). The differences are explained below:

	2018 £	2017 £
Profit/(loss) on ordinary activities before tax	1,957,747	(1,752,199)
Profit/(loss) on ordinary activities multiplied by standard rate of Corporation Tax in the UK of 19% (2017 - 19.83%)	-	(347,461)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	(5,939)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	2,486
Capital allowances for year in excess of depreciation	-	78,869
Utilisation of tax losses	-	(3,132)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	395,559	-
Unrelieved tax losses carried forward	-	346,998
Other differences leading to an increase (decrease) in the tax charge	-	(764)
Group relief	-	(71,057)
Deferred tax	253,413	33,109
Total tax charge for the year	648,972	33,109

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

13. Exceptional items

	2018 £	2017 £
Exceptional items	(193,608)	(1,556,342)
	<u>(193,608)</u>	<u>(1,556,342)</u>

The exceptional items represented by the above are provisions and write-offs of loans made by company and the legal and consultancy fees that have occurred as a result.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

14. Tangible fixed assets

Group

	Freehold land and property £	S/Term Leasehold land and property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equip' £	Total £
Cost or valuation							
At 1 June 2017	18,554,942	1,000,000	3,474,158	284,818	763,035	148,403	24,225,356
Additions	12,474	-	597,522	17,750	43,152	-	670,898
Disposals	-	-	(143,347)	(6,075)	-	-	(149,422)
At 31 May 2018	18,567,416	1,000,000	3,928,333	296,493	806,187	148,403	24,746,832
Depreciation							
At 1 June 2017	3,124,038	200,000	2,202,938	225,971	505,595	120,904	6,379,446
Charge for the year on owned assets	25,688	100,000	170,303	14,762	55,639	5,500	371,892
Charge for the year on financed assets	-	-	70,237	-	-	-	70,237
Disposals	-	-	(85,512)	(5,005)	-	-	(90,517)
At 31 May 2018	3,149,726	300,000	2,357,966	235,728	561,234	126,404	6,731,058
Net book value							
At 31 May 2018	15,417,690	700,000	1,570,367	60,765	244,953	21,999	18,015,774
At 31 May 2017	15,430,904	800,000	1,271,219	58,847	257,441	27,498	17,845,909

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

14. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Freehold	15,417,689	15,430,903
Short leasehold	700,000	800,000
	<u>16,117,689</u>	<u>16,230,903</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	688,456	492,245
	<u>688,456</u>	<u>492,245</u>

Freehold and short term leasehold land and property included above at a valuation of £15,224,308 had an original cost of £1,830,614.

Newmafruit Farms Limited

**Notes to the financial statements
for the year ended 31 May 2018**

Company

	Freehold property £	S/Term Leasehold Property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation						
At 1 June 2017	18,514,119	1,000,000	1,395,820	262,968	504,875	21,677,782
Additions	12,474	-	230,111	17,750	43,152	303,487
Disposals	-	-	(143,347)	(6,075)	-	(149,422)
At 31 May 2018	18,526,593	1,000,000	1,482,584	274,643	548,027	21,831,847
Depreciation						
At 1 June 2017	3,113,426	200,000	732,951	210,353	312,267	4,568,997
Charge for the year on owned assets	24,872	100,000	105,764	13,516	42,672	286,824
Disposals	-	-	(85,512)	(5,005)	-	(90,517)
At 31 May 2018	3,138,298	300,000	753,203	218,864	354,939	4,765,304
Net book value						
At 31 May 2018	15,388,295	700,000	729,381	55,779	193,088	17,066,543
At 31 May 2017	15,400,693	800,000	662,870	52,615	192,608	17,108,786

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

14. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Freehold	15,388,295	15,400,692
Short leasehold	700,000	800,000
	<u>16,088,295</u>	<u>16,200,692</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	361,126	208,694
	<u>361,126</u>	<u>208,694</u>

Freehold and short term leasehold land and property included above at a valuation of £15,183,485 had an original cost of £1,789,791.

15. Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 June 2017	1,022
At 31 May 2018	<u>1,022</u>
Net book value	
At 31 May 2018	<u>1,022</u>
At 31 May 2017	<u>1,022</u>

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Newmafruit International Limited	Ordinary	100 %	Sorting, packing and storage of fruit
Shanatova Limited	Ordinary	100 %	Construction of residential property
Icosagon Limited	Ordinary	100 %	Construction of residential property
Newmafruit Research LLP	N/a	99 %	Non-trading

The aggregate of the share capital and reserves as at 31 May 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

The company held a 99% interest in Newmafruit Research LLP, which is incorporated in England and Wales.

The LLP is in the process of liquidation and has been fully impaired.

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

15. Fixed asset investments (continued)

Company

	Investments in subsidiaries £	Unlisted investments £	Total £
Cost or valuation			
At 1 June 2017	202,000	1,022	203,022
At 31 May 2018	202,000	1,022	203,022
Net book value			
At 31 May 2018	202,000	1,022	203,022
At 31 May 2017	202,000	1,022	203,022

16. Stocks

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Work in progress (goods to be sold)	-	2,431,286	-	-
Raw materials, growing crop and goods for sale	979,656	680,076	620,900	398,986
	979,656	3,111,362	620,900	398,986

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Growing crop includes biological assets, as shown below.

Biological assets - Growing crop

	2018 £
At 1 June 2017	230,811
Net movement from picking and cultivations on 2017 and 2018 harvest	178,064
	408,875

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

17. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade debtors	921,633	797,607	580,174	555,825
Amounts owed by group undertakings	-	-	22,172	1,781,194
Other debtors	1,225,016	2,812,886	1,105,313	2,787,029
Prepayments and accrued income	522,232	748,178	333,679	485,538
	2,668,881	4,358,671	2,041,338	5,609,586

18. Current asset investments

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Blackwatch LLC	2,100,165	-	2,100,165	-
	2,100,165	-	2,100,165	-

19. Creditors: amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Bank loans	-	1,500,000	-	1,500,000
Trade creditors	1,047,748	801,828	558,660	436,076
Amounts owed to group undertakings	-	-	7,098,032	6,483,918
Other taxation and social security	138,158	271,782	30,297	24,936
Obligations under finance lease and hire purchase contracts	180,301	144,951	95,183	62,677
Other creditors	156,216	170,360	148,243	169,793
Accruals and deferred income	433,486	539,564	193,154	78,283
	1,955,909	3,428,485	8,123,569	8,755,683

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

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

	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Finance lease and hire purchase obligations	244,628	239,048	82,677	53,845
	244,628	239,048	82,677	53,845

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Within one year	180,377	144,952	95,258	87,645
Between 1-5 years	244,628	239,048	82,677	60,784
	425,005	384,000	177,935	148,429

Security for assets held under hire purchase is provided by the assets themselves.

22. Financial instruments

At the financial reporting date the Group had the following financial instruments that are all measured at amortised cost.

Financial assets that are debt instruments measured at amortised cost:

- Trade debtors - Note 17
- Other debtors - Note 17

Financial liabilities measured at amortised cost:

- Bank loans - Notes 19 and 20
- Other loans - Notes 19 and 20
- Finance lease and hire purchase obligations - 19 and 20
- Trade creditors - Note 19
- Other creditors - Note 19

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

23. Deferred taxation

Group

	2018 £	2017 £
At the beginning of the year	(787,007)	(753,897)
Charged to the profit and loss account	(253,413)	(33,110)
At the end of the year	(1,040,420)	(787,007)

Company

	2018 £	2017 £
At the beginning of the year	(784,000)	(721,000)
Charged to the profit and loss account	(223,673)	(63,000)
At the end of the year	(1,007,673)	(784,000)

The provision for deferred taxation is made up as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Accelerated capital allowances	(133,844)	(3,007)	(101,097)	-
Tax losses carried forward	221,424	-	221,424	-
Deferred tax on revalued assets	(1,128,000)	(784,000)	(1,128,000)	(784,000)
	(1,040,420)	(787,007)	(1,007,673)	(784,000)

24. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2,321 (2017 - 2,321) Ordinary shares of £1.00 each	2,321	2,321

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

25. Reserves

Share premium account

The share premium account represents the additional amount paid for issued shares in excess of the par value of those shares.

Revaluation reserve

The revaluation reserve represents the surplus created from the revaluation of assets, less any subsequent reversals.

Capital redemption reserve

The capital redemption reserve represents the nominal value of shares that have been repurchased by the company.

Profit & loss account

The profit & loss account represents the retained earnings of the company, less any distributions.

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £45,707, (2017 - £49,304). No contributions were payable to the fund at the balance sheet date (2017 - £nil).

Newmafruit Farms Limited

Notes to the financial statements for the year ended 31 May 2018

27. Commitments under operating leases

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

	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Land and buildings				
Later than 5 years	1,382,903	<i>1,593,804</i>	1,382,903	<i>1,593,804</i>
	1,382,903	<i>1,593,804</i>	1,382,903	<i>1,593,804</i>
	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Plant and machinery				
Not later than 1 year	84,141	<i>39,620</i>	3,624	<i>1,794</i>
Later than 1 year and not later than 5 years	224,657	<i>209,519</i>	54,118	<i>30,294</i>
	308,798	<i>249,139</i>	57,742	<i>32,088</i>

28. Transactions with directors

At the year end M Newman was owed £147,706 by Newmafruit Farms Limited (2017: £169,793). During the year Newmafruit Farms Limited advanced a further £22,088 (2017: £10,807). M Newman advanced £nil to Newmafruit Farms Limited (2017: £500,000).

29. Related party transaction

During the prior year, a loan of £205,000 was advanced to Newmaquinn Commercial Limited, a company in which M Newman is also a director. This amount was repaid during the year.

30. Controlling party

The company is controlled by the Newman family by virtue of their control of the majority shareholding.