

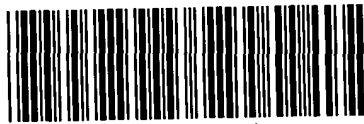
Company Registration No. 03092255 (England and Wales)

Berkeley Farms Limited

**Unaudited financial statements
for the year ended 30 September 2017**

Pages for filing with the Registrar

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COMPANIES HOUSE

Saffery Champness

CHARTERED ACCOUNTANTS

Berkeley Farms Limited

Company information

Directors	Henry Berkeley Robert Bernays Roland Brown	(Appointed 6 February 2018)
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Company number	03092255
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Registered office	The Estate Office Berkeley Castle Berkeley Gloucestershire GL13 9BQ
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Accountants	Saffery Champness LLP Midland House 2 Poole Road Bournemouth Dorset BH2 5QY
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Berkeley Farms Limited

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Berkeley Farms Limited

Statement of financial position

As at 30 September 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	4		2,166,504		2,162,285
Investment properties	5		675,000		675,000
			<u>2,841,504</u>		<u>2,837,285</u>
Current assets					
Stocks		412,460		421,259	
Debtors	6	32,219		39,606	
Cash at bank and in hand		75,352		44,263	
		<u>520,031</u>		<u>505,128</u>	
Creditors: amounts falling due within one year	7	(191,462)		(218,221)	
Net current assets			<u>328,569</u>		<u>286,907</u>
Total assets less current liabilities			<u>3,170,073</u>		<u>3,124,192</u>
Creditors: amounts falling due after more than one year	8		(68,485)		(84,271)
Provisions for liabilities			<u>(127,555)</u>		<u>(128,030)</u>
Net assets			<u><u>2,974,033</u></u>		<u><u>2,911,891</u></u>
Capital and reserves					
Called up share capital	10		1,940,000		1,940,000
Revaluation reserve	11		529,299		536,428
Profit and loss reserves			504,734		435,463
Total equity			<u><u>2,974,033</u></u>		<u><u>2,911,891</u></u>

Berkeley Farms Limited

Statement of financial position (continued)

As at 30 September 2017

The directors of the company have elected not to include a copy of the income statement within the financial statements.

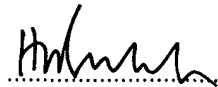
For the financial year ended 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

The financial statements were approved by the board of directors and authorised for issue on 12/6/18 and are signed on its behalf by:



Henry Berkeley
Director

Company Registration No. 03092255

Berkeley Farms Limited**Statement of changes in equity
For the year ended 30 September 2017**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 October 2015	1,940,000	519,591	463,799	2,923,390
Year ended 30 September 2016:				
Loss and total comprehensive income for the year	-	-	(11,499)	(11,499)
Transfers	-	16,837	(16,837)	-
Balance at 30 September 2016	1,940,000	536,428	435,463	2,911,891
Year ended 30 September 2017:				
Profit and total comprehensive income for the year	-	-	62,142	62,142
Transfers	-	(7,129)	7,129	-
Balance at 30 September 2017	1,940,000	529,299	504,734	2,974,033

1 Accounting policies

Company information

Berkeley Farms Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Estate Office, Berkeley Castle, Berkeley, Gloucestershire, GL13 9BQ.

1.1 Accounting convention

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

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

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

These financial statements for the year ended 30 September 2017 are the first financial statements of Berkeley Farms Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 13.

1.2 Turnover

Turnover represents the amount received by the company in respect of livestock and deadstock sales and is stated net of VAT.

1.3 Tangible fixed assets

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

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

Land and buildings Freehold	Nil
Land and buildings Leasehold	5% and 10% on cost
Plant and machinery	10% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash at bank and in hand

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

1 Accounting policies (continued)

1.8 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.9 Equity instruments

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

1.10 Taxation

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

1 Accounting policies (continued)

Current tax

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

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

Notes to the financial statements (continued)

For the year ended 30 September 2017

1 Accounting policies (continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2016 - 2).

3 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(2,775)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(475)	(12,555)
	<u> </u>	<u> </u>
Total tax credit	<u>(475)</u>	<u>(15,330)</u>

Berkeley Farms Limited

Notes to the financial statements (continued)

For the year ended 30 September 2017

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2016	2,178,933	200,295	2,379,228
Additions	6,245	10,810	17,055
Disposals	-	(6,100)	(6,100)
At 30 September 2017	2,185,178	205,005	2,390,183
Depreciation and impairment			
At 1 October 2016	54,400	162,543	216,943
Depreciation charged in the year	6,007	6,371	12,378
Eliminated in respect of disposals	-	(5,642)	(5,642)
At 30 September 2017	60,407	163,272	223,679
Carrying amount			
At 30 September 2017	2,124,771	41,733	2,166,504
At 30 September 2016	2,124,533	37,752	2,162,285

The net book value of other tangible fixed assets includes £23,800 (2016 - £27,200) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £3,400 (2016 - £3,400) for the year.

5 Investment property

	2017 £
Fair value	
At 1 October 2016 and 30 September 2017	675,000

Investment property comprises of Cudleigh Court Cottage, Part Cudleigh Court Farmhouse and Cupola Court Offices. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 September 2017 by the directors of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Berkeley Farms Limited**Notes to the financial statements (continued)****For the year ended 30 September 2017****6 Debtors**

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	16,956	25,329
Corporation tax recoverable	-	2,775
Other debtors	15,263	11,502
	<u>32,219</u>	<u>39,606</u>

7 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	13,980	13,980
Trade creditors	35,253	72,609
Other creditors	142,229	131,632
	<u>191,462</u>	<u>218,221</u>

Bank loans are secured on the Estate Office at Spetchley and a personal guarantee from the late R J G Berkeley, who was a director until 2 November 2017.

Hire purchase obligations are secured against the assets to which they relate.

8 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	68,485	82,465
Other creditors	-	1,806
	<u>68,485</u>	<u>84,271</u>

Bank loans are secured on the Estate Office at Spetchley and a personal guarantee from the late R J G Berkeley, who was a director until 2 November 2017.

Hire purchase obligations are secured against the assets to which they relate.

Berkeley Farms Limited**Notes to the financial statements (continued)****For the year ended 30 September 2017****9 Provisions for liabilities**

	2017	2016
	£	£
Deferred tax liabilities	127,555	128,030

10 Called up share capital

	2017	2016
	£	£
Ordinary share capital Issued and fully paid 1,940,000 Ordinary shares of £1 each	1,940,000	1,940,000
	1,940,000	1,940,000

11 Revaluation reserve

	2017	2016
	£	£
At beginning of year	536,428	519,591
Transfer to retained earnings	(7,129)	16,837
At end of year	529,299	536,428

The revaluation reserve includes all fair value gains and losses recognised on investment properties, net of deferred tax. See the Statement of Changes in Equity on page 6 for a summary of the movements.

12 Related party transactions

During the year the net effect of income and expenditure transactions with the trustees of Berkeley Settlement was that the company incurred expenses of £27,989 (2016: £5,034). As at 30 September 2017, the trustees of The Berkeley Settlement were owed £106,667 (2016: £92,031). These transactions are related due to common trustees between the two entities.

During the year the company incurred rental charges of £331 (2016: £331) from the Berkeley 2022 Settlement in respect of the land at Newtown Road.

During the year the net effect of income and expenditure transactions with Spetchley Gardens Charitable Trust was that the company incurred expenses of £1,277 (2016: income of £733). As at 30 September 2017, the company was owed £430 (2016: creditor of £1,463)

Deer Park

Spetchley Gardens Charitable Trust has granted to the company a farm business tenancy for the initial period of 5 years over 112 acres of land, which commenced on 1 October 2002 and now runs from year to year. The current annual rent of £5,040 (£45 per acre) (2016: £5,040) is paid to Spetchley Gardens Charitable Trust. As at 30 September 2017 the company was owed from Spetchley Gardens Charitable Trust £430 (2016: £1,463).

Land rented from the trustees of the Berkeley Settlement

The company rents from the trustees of the Berkeley Settlement land extending to 430 acres and other farm buildings. The rent in the year amounted to £16,431 (2016: £16,431). The company also received rental income from the Berkeley Settlement during the year amounting to £14,833 (2016: nil) in respect of the Spetchley Estate Office.

13 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 October 2015 £	30 September 2016 £
Equity as reported under previous UK GAAP		2,100,292	2,447,493
Adjustments arising from transition to FRS 102:			
Revenue recognition - Basic Payment Scheme	1	(62,483)	(72,030)
Investment properties	2	630,000	630,000
Deferred taxation	3	(110,409)	(93,572)
Equity reported under FRS 102		<u>2,557,400</u>	<u>2,911,891</u>

13 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of loss for the financial period

	Notes	2016 £
Loss as reported under previous UK GAAP		(18,789)
Adjustments arising from transition to FRS 102:		
Revenue recognition - Basic Payment Scheme	1	(9,547)
Investment properties	2	-
Deferred taxation	3	16,837
Loss reported under FRS 102		<u>(11,499)</u>

Notes to reconciliations on adoption of FRS 102

Revenue recognition

Under FRS 102, the right to the Basic Payment Scheme payment is recognised when there is reasonable assurance that the entity will comply with the entitlement conditions and the Basic Payment Scheme payment will be received. This change in recognition has resulted in a £9,547 increase in the losses for the year ended 30 September 2016. The total reduction in equity reserves was £72,030 as at 30 September 2016.

Investment properties

Fair value movements on investment property now have to be recognised under FRS 102 through the income statement. The valuation of investment property has not materially changed since transition so there has been no affect on the income statement for the current or comparative year.

Deferred taxation

Under previous UK GAAP the company was not required to provide for taxation on revaluations of investment properties, unless there was a binding sale agreement and recognised the gain or loss expected to arise. FRS 102 requires that deferred taxation is provided on difference arising from the revaluation.