

Company registration No. 09123713

THE TRINLEY ESTATE LIMITED

Report and Financial Statements

31 December 2015



(- 31/05/2016)

THE TRINLEY ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS 2015

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THE TRINLEY ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS 2015

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Deller
T Trott
J E M Harington

SECRETARY

Bedell Trust UK Limited

REGISTERED OFFICE

2nd Floor
11 Old Jewry
London
EC2R 8DU

SOLICITORS

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

BANKERS

HSBC Bank Plc
28-30 High Street
Andover
Hants
SP10 1NU

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge
United Kingdom

THE TRINLEY ESTATE LIMITED

DIRECTORS' REPORT

The directors present their audited financial statements for the year ended 31 December 2015.

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

ACTIVITIES

The principal activities of the company are farming and provision of storage services.

DIVIDENDS

The company do not recommend the payment of a dividend.

DIRECTORS

The following directors served throughout the year:

R Deller
T Trott
J E M Harington

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE TRINLEY ESTATE LIMITED

DIRECTORS' REPORT

AUDITOR

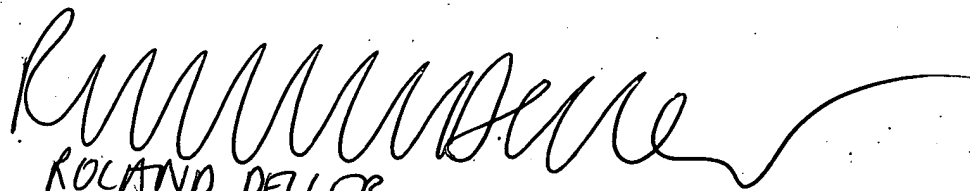
Each of the directors at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP have expressed their willingness to continue in office as auditor.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



ROLAND DELLER

Director

Date:

31 MAY 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRINLEY ESTATE LIMITED

We have audited the financial statements of The Trinley Estate Limited for the year ended 31 December 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

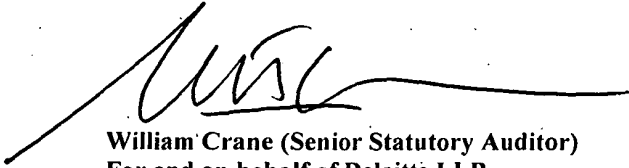
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE TRINLEY ESTATE LIMITED (continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.



William Crane (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

31 May 2016

THE TRINLEY ESTATE LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2015

	Note	Year ended 31 December 2015 £	Period from 9 July 2014 to 31 December 2014 £
TURNOVER	2	798,780	67,829
Opening stock		(166,504)	(105,773)
Closing stock		<u>296,854</u>	<u>166,504</u>
Change in stocks of goods for resale		130,350	60,731
		<u>929,130</u>	<u>128,560</u>
Crops, raw materials and consumables		233,792	68,450
Staff costs		115,841	24,003
Depreciation		103,376	53,907
Other operating charges		321,081	122,741
Exceptional item - impairment	4	<u>1,071,764</u>	<u>-</u>
		<u>1,845,854</u>	<u>269,101</u>
OPERATING LOSS	5	(916,724)	(140,541)
Interest payable and similar charges	6	<u>(6,035)</u>	<u>(1,214)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(922,759)	(141,755)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	15	<u>(922,759)</u>	<u>(141,755)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES Year ended 31 December 2015

	2015 £	2014 £
Loss for the financial year	(922,759)	(141,755)
Revaluation of intangible assets	<u>38,237</u>	<u>-</u>
Total recognised gains and losses in the year	<u>884,522</u>	<u>(141,755)</u>

THE TRINLEY ESTATE LIMITED

BALANCE SHEET 31 December 2015

	Note	2015 £	2014 (restated note 14) £
FIXED ASSETS			
Tangible assets	8	22,434,764	23,326,781
Intangible assets	9	409,246	474,385
		<u>22,844,010</u>	<u>23,801,166</u>
CURRENT ASSETS			
Stocks	10	296,854	166,504
Debtors	11	223,266	162,824
Cash at bank and in hand		262,147	379,892
		<u>782,267</u>	<u>709,220</u>
CREDITORS: amounts falling due within one year	12	<u>(151,554)</u>	<u>(151,141)</u>
NET CURRENT ASSETS		<u>630,713</u>	<u>558,079</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>23,474,723</u></u>	<u><u>24,359,245</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	23,260,999	24,501,000
Profit and loss account	15	(1,064,514)	(141,755)
Revaluation reserve	15	38,237	-
Capital redemption reserve	15	1,240,001	-
SHAREHOLDERS' FUNDS		<u><u>23,474,723</u></u>	<u><u>24,359,245</u></u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements of The Trinley Estate Limited, registered number 09123713, were approved by the Board of Directors and authorised for issue on *31 May 2016*

Signed on behalf of the Board of Directors


ROLAND DELLER

Director

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, and in accordance with the special provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Going concern

Whilst the farming sector is affected by uncertain global economic conditions the storage business is exposed to an entirely different type of business risk more locally based. With two types of revenue generating enterprises the directors are certain that the company is well placed to manage its business risks successfully.

The loss generated in the year arose largely due to a non-cash translation in respect of fixed asset revaluation. The directors are confident that the company has adequate resources to continue in and cash generating operation existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

Tangible fixed assets

Due to an ownership reorganisation all of the fixed assets were revalued in December 2015. The costs of assets have therefore been impaired to carry assets at their latest valuation, rather than their cost less depreciation. The accounting policy below is the policy which will be implemented for the assets held at the year end going forward.

Depreciation is provided to write off the cost or valuation of fixed assets, except for freehold land and buildings, in equal annual instalments over their estimated useful lives on a reducing balance basis at the following rates:

Containers and fixtures and fittings	20%
Plant and machinery	20%-25%
Tractors and motor vehicles	20%

Depreciation in the period of acquisition is charged on a pro-rata basis.

No depreciation is provided on freehold land.

No depreciation is provided on freehold buildings. It is the company's policy to maintain these assets in a continual state of repair. The useful economic life of these assets are thus so long and residual values so high that the directors estimate the charge would not be material. Accordingly annual impairment reviews are carried out.

Intangible fixed assets

Entitlements

The Single Farm Payment entitlements are being amortised so as to write off their cost in equal instalments over six years. This is the known period until the next Common Agricultural Policy reform.

Goodwill

Purchased goodwill is being written off over four years based on the assessment by the directors of its useful economic life.

Stocks

Stocks are stated at the lower of costs and net realisable value. Cultivations are valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the cultivations valuation.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no intention to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Leases

Operating lease rentals are charged to the profit and loss account as incurred.

Recognition of single farm payments

Single farm payments are included on a sales basis and credited in full to turnover in the accounting period in which the company becomes eligible to receive the payments.

2. TURNOVER

Turnover, all of which arises in the United Kingdom, represents the invoiced value, excluding value added tax, of goods sold and services provided to customers and includes sales subsidies receivable from DEFRA under the Arable Aid Payments Scheme (including set-aside) in relation to crops sold and subsidies receivable under the Single Payment Scheme.

3. INFORMATION REGARDING DIRECTORS

The directors received no remuneration in the current period for their services as directors to the company.

4. EXCEPTIONAL ITEM

The business was revalued by external valuers on this date. This resulted in the following impairment adjustment to fixed assets.

	2015 £	2014 £
Exceptional item		
Impairment	<u>1,071,764</u>	<u>-</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

5. OPERATING LOSS

	Year ended 31 December 2015	Period from 9 July 2014 to 31 December 2014
	£	£
Operating loss is after charging (crediting):		
Depreciation		
Owned assets	-	24,292
Amortisation on intangibles	103,376	29,615
Rents receivable	(75,554)	(54,927)
Rentals under operating leases	30,047	7,164
Auditor's remuneration	14,250	15,000

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2015	Period from 9 July 2014 to 31 December 2014
	£	£
Bank charges	6,035	1,214

7. TAX ON PROFIT (LOSS) ON ORDINARY ACTIVITIES

	Year ended 31 December 2015	Period from 9 July 2014 to 31 December 2014
	£	£
Current taxation		
United Kingdom corporation tax based on the results for the year at 20%	-	-
Deferred taxation		
Origination and reversal of timing differences	-	-
Tax on profit (loss) on ordinary activities	-	-

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

8. TANGIBLE FIXED ASSETS

	Land and building £	Plant and machinery £	Tractors and motor vehicles £	Containers and fixtures and fittings £	Total £
Cost					
At 1 January 2015	22,860,254	187,398	216,125	87,296	23,351,073
Additions	35,391	46,458	178,762	-	260,611
Disposals	-	(24,700)	(71,394)	-	(96,094)
Impairment	(860,254)	(101,723)	(38,643)	(71,144)	(1,071,764)
At 31 December 2015	<u>22,035,391</u>	<u>107,433</u>	<u>284,850</u>	<u>16,152</u>	<u>22,443,826</u>
Depreciation					
At 1 January 2015	-	9,032	10,806	4,454	24,292
Disposals	-	(4,424)	(10,806)	-	(15,230)
At 31 December 2015	<u>-</u>	<u>4,608</u>	<u>-</u>	<u>4,454</u>	<u>9,062</u>
Net book value					
At 31 December 2015	<u>22,035,391</u>	<u>102,825</u>	<u>284,850</u>	<u>11,698</u>	<u>22,434,764</u>
At 31 December 2014	<u>22,860,254</u>	<u>178,366</u>	<u>205,319</u>	<u>82,842</u>	<u>23,326,781</u>

9. INTANGIBLE FIXED ASSETS

	Entitlements £	Goodwill £	Total £
Cost			
At 1 January 2015	90,500	413,500	504,000
Revaluations	38,237	-	38,237
At 31 December 2015	<u>128,737</u>	<u>413,500</u>	<u>542,237</u>
Amortisation			
At 1 January 2015	3,772	25,843	29,615
Charge for the year	-	103,376	103,376
At 31 December 2015	<u>3,772</u>	<u>129,219</u>	<u>132,991</u>
Net book value			
At 31 December 2015	<u>124,965</u>	<u>284,281</u>	<u>409,246</u>
At 31 December 2014	<u>86,728</u>	<u>387,657</u>	<u>474,385</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

10. STOCKS

	2015 £	2014 £
Workshop	600	668
Fuel	4,359	4,057
Consumables	45,625	66,317
Cultivations	104,858	95,462
Finished goods	141,412	-
	<u>296,854</u>	<u>166,504</u>

11. DEBTORS

	2015 £	2014 £
Trade debtors	55,045	10,992
Other debtors	4,539	113,272
Prepayments	163,682	38,560
	<u>223,266</u>	<u>162,824</u>

All debtors are due within one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	87,034	113,132
Other creditors	16,430	10,801
Accruals and deferred income	48,090	27,208
	<u>151,554</u>	<u>151,141</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

13. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

	£
At 1 January 2015	-
Credit for the year	-
At 31 December 2015	-

The amounts of deferred taxation provided and unprovided in the accounts are as follows:

	2015 £	Provided 2014 £	2015 £	Unprovided 2014 £
Accelerated capital allowances	50,765	23,657	-	-
Losses to carry forward	(50,765)	(23,657)	(12,141)	(23,617)
	-	-	-	(23,617)

There are trading losses to carry forward of £349,477 (9 July 2014 to 31 December 2014 - £236,371) with a deferred tax asset value of £69,895 (9 July 2014 to 31 December 2014 - £47,274). Only £50,765 (9 July 2014 to 31 December 2014 - £23,657) of trading loss has been provided for due to the uncertainty of these being realised in the short term.

14. CALLED UP SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000
Preference shares	-	24,500,000
'B' shares	23,259,999	-

Ordinary shares

The rights ascribed to this class of share is shares rank equally for voting purposes. On a show of hands each member shall have one vote and on a poll each member shall have one vote per share held. Each share ranks equally for any dividend declared. Each share ranks equally for any distribution made on a winding up.

Preference Shares

The preference shares in issue as at 1 January 2014 and 31 December 2014 have been restated from creditors repayable within one year to equity. The preference shares were not entitled to vote at any general meeting and were not entitled to any dividend payments. The preference shares had priority rights over the ordinary shares on a winding up or return of capital and the preference shares were only redeemable at the option of the company on 60 days' notice and, accordingly, should more appropriately have been treated as equity.

On 18 December 2015 the Trinley Estate Limited converted these preference shares to 'A' shares. The 'A' shares of £24,500,000 were then redeemed in exchange for the issue of 23,259,999 'B' shares of £1 each to Styviken Invest AS. The rights attaching to the 'A' and 'B' shares were the same as those of the preference shares. As a result, £1,240,001 was transferred to the capital redemption reserve.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

15. STATEMENT OF MOVEMENT ON RESERVES

	Profit and loss account £	Revaluation reserve £	Preference shares £	Capital redemption reserve £	Total £
At 1 January 2015	(141,755)	-	24,500,000	-	24,358,245
Loss for the year	(922,750)	-	-	-	(922,750)
Revaluation of intangible asset	-	38,237	-	-	38,237
Redemption of 'A' shares – see note 14	-	-	(1,240,001)	1,240,001	-
At 31 December 2015	<u>(1,064,514)</u>	<u>38,237</u>	<u>23,259,999</u>	<u>1,240,001</u>	<u>23,473,723</u>

16. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2015 the company had annual commitments under non-cancellable operating leases with total minimum payments as set out below:

	Land and buildings	
	2015 £	2014 £
Operating leases which expire:		
Between two to five years	<u>78,804</u>	<u>85,968</u>

17. ULTIMATE PARENT UNDERTAKING AND IMMEDIATE CONTROLLING PARTY

The company's immediate parent company and its ultimate parent undertaking is Styviken Invest AS, a company incorporated in Norway. The ultimate controlling party is Mr B Saven.

18. RELATED PARTY TRANSACTIONS

Included in other operating charges are the following:

- £31,000 (2014 - £32,000) in respect of Bedell Trust UK Limited of which R Deller is a director.

- £15,000 was paid to J E M Harrington. In 2014 - £367,125 in respect of Haringtons UK Limited of which J E M Harrington is a director.

The £24,500,000 issued preference shares held by Brunnudden SARL were exchanged for 'A' shares and then redeemed on 18 December 2015 in exchange for 23,259,999 £1 'B' preference shares issued to Styviken Invest AS. Both businesses are ultimately controlled by Mr B Saven.