

Company registration No. 09123713

THE TRINLEY ESTATE LIMITED

Report and Financial Statements

31 December 2017

(- 27/03/2018)



THE TRINLEY ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

CONTENTS

Page

Officers and professional advisers

1

Directors' report

2

Independent auditor's report

4

Profit and loss account

7

Statement of comprehensive income

7

Balance sheet

8

Statement of changes in equity

9

Notes to the financial statements

10

THE TRINLEY ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J E M Harington
P G Baughen
B E Saven
I Saven

SECRETARY

P G Baughen (appointed 18 October 2017)

REGISTERED OFFICE

Middle Hill
Hook Norton
Banbury
OX15 5PL

AUDITOR

Deloitte LLP
Statutory Auditor
Cambridge
United Kingdom

THE TRINLEY ESTATE LIMITED

DIRECTORS' REPORT

The directors present their audited financial statements for the year ended 31 December 2017.

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 directors who served throughout the year and subsequent to the year end, unless otherwise stated, were:

R Deller	(resigned 3 April 2017)
T Trott	(resigned 3 October 2017)
J E M Harington	
R M Joynt	(appointed 3 April 2017, resigned 3 October 2017)
P G Baughen	(appointed 18 October 2017)
B E Saven	(appointed 18 October 2017)
I Saven	(appointed 18 October 2017)

DIRECTORS' INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

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 satisfied that the company is well placed to manage its business risks successfully.

The directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

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), including FRS 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 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/she ought to have taken as a director to make himself/herself 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 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



Director P G Baughen

Date: 31-3-2018

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Trinley Estate Limited (the 'company') which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 17.

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).

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 auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 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.

We have nothing to report in respect of these matters.

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

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 auditor's 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 respect of these matters.

Responsibilities of directors

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, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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

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 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.

Report on other legal and regulatory requirements

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Neil Yazdani (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

13 April 2018

THE TRINLEY ESTATE LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2017

	Note	2017 £	2016 £
TURNOVER	3	1,136,057	1,075,423
Cost of sales		(208,123)	(224,520)
GROSS PROFIT		927,934	850,903
Administration expenses		(794,827)	(720,168)
OPERATING PROFIT	5	133,107	130,735
Interest payable and similar charges	6	(1,467)	(10,154)
PROFIT BEFORE TAXATION		131,640	120,581
Tax on profit	7	(43,769)	(20,268)
PROFIT FOR THE FINANCIAL YEAR		87,871	100,313

All activities derive from continuing operations.

STATEMENT OF COMPREHENSIVE INCOME Year ended 31 December 2017

	2017 £	2016 £
Profit for the financial year/total comprehensive income	87,871	100,313

THE TRINLEY ESTATE LIMITED

BALANCE SHEET

31 December 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	8	22,477,375	22,443,052
Intangible assets	9	157,509	280,878
		<u>22,634,884</u>	<u>22,723,930</u>
CURRENT ASSETS			
Stocks	10	371,200	345,777
Debtors	11	241,513	221,557
Cash at bank and in hand		640,592	432,709
		<u>1,253,305</u>	<u>1,000,043</u>
CREDITORS: amounts falling due within one year	12	(205,609)	(148,937)
NET CURRENT ASSETS		<u>1,047,696</u>	<u>851,106</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,682,580</u>	<u>23,575,036</u>
PROVISIONS FOR LIABILITIES	13	(19,673)	-
		<u>23,662,907</u>	<u>23,575,036</u>
CAPITAL AND RESERVES			
Called up share capital	14	23,260,999	23,260,999
Profit and loss account	14	(876,330)	(964,201)
Revaluation reserve	14	38,237	38,237
Capital redemption reserve	14	1,240,001	1,240,001
SHAREHOLDERS' FUNDS		<u>23,662,907</u>	<u>23,575,036</u>

The financial statements of The Trinley Estate Limited, registered number 09123713, were approved by the Board of Directors and authorised for issue on 31 March 2018

Signed on behalf of the Board of Directors


Director PG Baughen

THE TRINLEY ESTATE LIMITED

STATEMENT OF CHANGES IN EQUITY 31 December 2017

	Called up share capital £	Profit and loss account £	Revalua- tion reserve £	Preference shares £	Capital redemption reserve £	Total £
At 1 January 2016	1,000	(1,064,514)	38,237	23,259,999	1,240,001	23,474,723
Profit for the financial year, being total comprehensive income	-	100,313	-	-	-	100,313
At 31 December 2016	1,000	(964,201)	38,237	23,259,999	1,240,001	23,575,036
Profit for the financial year, being total comprehensive income	-	87,871	-	-	-	87,871
At 31 December 2017	<u>1,000</u>	<u>(876,330)</u>	<u>38,237</u>	<u>23,259,999</u>	<u>1,240,001</u>	<u>23,662,907</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

1. ACCOUNTING POLICIES

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

General information and basis of accounting

The Trinley Estate Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's principal activities are set out in the directors' report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of The Trinley Estate Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The Trinley Estate Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

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 satisfied that the company is well placed to manage its business risks successfully.

The directors are confident that the company has adequate resources to continue in operational 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 were impaired to carry assets at their latest valuation at 31 December 2015. The accounting policy below is the policy which was implemented for the assets held.

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

Buildings	2%
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.

Annual impairment reviews are carried out. The annual impairment reviews are carried out by the directors. One of the directors is experienced in property related matters, as a property agent and has knowledge of the property market. The Board consider they have adequate competence to carry out the annual impairment reviews.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

1. ACCOUNTING POLICIES (continued)

Investment properties

The land and buildings previously accounted for as investment property were transferred into property, plant and equipment held at cost, in accordance with FRS102 Section 16.8 – Investment Properties. This transfer was carried out because the Directors did not feel able to accurately value the assets themselves, and felt it would be undue cost and effort to obtain external valuations purely for the purposes of preparing the financial statements.

The Directors consider that this policy is necessary in order that the financial statements give a true and fair view, as they anticipate returning to a fair value model in future when there is a need to revalue the property.

Intangible fixed assets

Intangible fixed assets comprise of entitlements and goodwill.

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. Goodwill arose on the acquisition of the farm business.

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. Grain is valued at a percentage of selling price.

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.

Pensions

Defined pension represents the amounts payable by the company in respect of defined pension contributions.

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.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2017**

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The preparation of financial statements in accordance with UK GAAP requires the use of certain critical accounting estimates and judgements. It also requires Directors to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements. The directors consider that there are no critical accounting judgements.

The Directors consider the key source of estimation relates to the assessment of impairment of the fixed assets. The calculation of impairment of the fixed assets is based on assumptions explained in more detail in note 1 (tangible fixed assets). Impairment represents the Directors' estimate of the losses incurred in the fixed assets as at the balance sheet date. The level of the impairment is the difference between the recoverable amount of an asset (the amount that could be obtained by selling the asset) and its carrying amount. If the carrying amount is higher than the estimated recoverable amount, the asset is written down.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

3. 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. Turnover includes storage services and rental income from farm properties.

	2017 £	2016 £
Crops	568,328	567,725
Rents	289,752	300,966
Grants and single farm payments	168,472	161,059
Other farming income	109,355	45,291
Interest	150	382
	<u>1,136,057</u>	<u>1,075,423</u>

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2017 £	2016 £
Directors' remuneration		
Emoluments	<u>15,000</u>	<u>15,000</u>
	No	No
Average number of persons employed (including directors)		
Administrative staff	1	1
Agricultural	4	4
	<u>5</u>	<u>5</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	110,496	106,567
Social security costs	7,644	6,916
Directors' fees	15,000	15,000
Pension	292	-
	<u>133,432</u>	<u>128,483</u>

5. OPERATING PROFIT

	2017 £	2016 £
Operating profit is after charging (crediting):		
Depreciation		
Owned assets	242,101	223,848
Amortisation on intangibles	123,369	129,122
Rents receivable	(289,752)	(300,966)
Rentals under operating leases	29,997	29,997
Auditor's remuneration:		
Fees payable to the company's auditor for the audit of the company's annual accounts	19,000	18,000
Taxation compliance services	5,150	4,760
	<u></u>	<u></u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £	2016 £
Bank charges	1,467	10,154

7. TAX ON PROFIT

	2017 £	2016 £
Current taxation		
United Kingdom corporation tax based on the results for the year at 19.25% (2016 - 20%)	24,096	20,268
Deferred taxation		
Origination and reversal of timing differences	19,673	-
Tax on profit	43,769	20,268

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19.25% (2016 - 20%). The actual tax charge for the current and the previous year differs from the standard tax rate for the reasons set out in the following reconciliation:

	2017 £	2016 £
Profit before tax	131,640	120,581
Tax on profit at standard rate	25,336	24,116
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	24,290	23,330
Movement in deferred tax not recognised	(3,644)	(27,178)
Tax rate changes	(2,606)	-
Adjustment from previous period	393	-
Total actual amount of current tax	43,769	20,268

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 17%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

8. TANGIBLE FIXED ASSETS

	Land and building £	Plant and machinery £	Tractors and motor vehicles £	Containers and fixtures and fittings £	Total £
Cost					
At 1 January 2017	22,071,082	179,424	402,850	16,861	22,670,217
Additions	67,118	68,608	231,210	-	366,936
Disposals	-	(23,750)	(115,982)	-	(139,732)
At 31 December 2017	22,138,200	224,282	518,078	16,861	22,897,421
Depreciation					
At 1 January 2017	116,552	31,819	71,670	7,124	227,165
Charge in the year	116,265	38,627	86,384	825	242,101
Disposals	-	(10,603)	(38,617)	-	(49,220)
At 31 December 2017	232,817	59,843	119,437	7,949	420,046
Net book value					
At 31 December 2017	21,905,383	164,439	398,641	8,912	22,477,375
At 31 December 2016	21,954,530	147,605	331,180	9,737	22,443,052

The directors have considered the value of the fixed assets and are satisfied that the aggregate value of the assets at the time of consideration was not less than the aggregate amount at which they are stated in the accounts.

9. INTANGIBLE FIXED ASSETS

	Entitlements £	Goodwill £	Total £
Cost			
At 1 January 2017 and 31 December 2017	124,965	413,500	538,465
Amortisation			
At 1 January 2017	24,993	232,594	257,587
Charge for the year	19,994	103,375	123,369
At 31 December 2017	44,987	335,969	380,956
Net book value			
At 31 December 2017	79,978	77,531	157,509
At 31 December 2016	99,972	180,906	280,878

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

10. STOCKS

	2017 £	2016 £
Workshop	932	550
Fuel	8,824	4,147
Consumables	60,976	57,933
Cultivations	122,829	113,360
Finished goods	177,639	169,787
	<u>371,200</u>	<u>345,777</u>

11. DEBTORS

	2017 £	2016 £
Trade debtors	155,994	140,089
VAT	93	2,089
Prepayments	84,285	79,379
Other	1,141	-
	<u>241,513</u>	<u>221,557</u>

All debtors are due within one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	114,078	79,297
Other creditors	13,301	11,335
Corporation tax	23,661	20,268
Accruals and deferred income	54,569	38,037
	<u>205,609</u>	<u>148,937</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

	£
At 1 January 2017	-
Charge for the year	19,673
At 31 December 2017	<u>19,673</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

13. PROVISIONS FOR LIABILITIES AND CHARGES (continued)

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

	2017 £	Provided 2016 £	2017 £	Unprovided 2016 £
Accelerated capital allowances	67,385	44,493	(185,822)	(146,243)
Losses to carry forward	(47,712)	(44,493)	-	(3,218)
	<u>19,673</u>	<u>-</u>	<u>(185,822)</u>	<u>(149,461)</u>

There are trading losses to carry forward of £280,657 (2016 - £280,657) with a deferred tax asset value of £47,712 (2016 - £47,712). Only £47,712 (2016 - £44,493) of trading loss has been provided for due to the uncertainty of these being realised in the short term.

14. CALLED UP SHARE CAPITAL AND RESERVES

	2017 £	2016 £
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000
Preference shares: 'B' shares	<u>23,259,999</u>	<u>23,259,999</u>

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 company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

The revaluation reserve represents the revaluation of the entitlements. The entitlements are intangible assets.

The capital redemption reserve represents the reserve created by the redemption of the preference shares as above.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

15. COMMITMENTS UNDER OPERATING LEASES

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2017	2016
	£	£
Operating leases which expire:		
Within one year	21,492	28,656
Between one and five years	-	21,492
	<u>21,492</u>	<u>50,148</u>

16. ULTIMATE PARENT UNDERTAKING AND IMMEDIATE CONTROLLING PARTY

The company's immediate parent company is Styviken Invest AS, a company incorporated in Norway and its ultimate parent undertaking is Fatburen Investment BV, a company incorporated in the Netherlands. The smallest group the company is consolidated into is Styviken Invest AS. The largest group the company is consolidated into is Fatburen Investment BV. The Styviken Invest AS accounts are publicly available from The Brønnøysund Register Centre, Havnegata 48, Brønnøysund, Norway. The Fatburen Investment BV accounts are publicly available from Kammer van Koophandel, De Ruijterkade 5, Amsterdam, The Netherlands. The ultimate controlling party is Mr B Saven.

17. RELATED PARTY TRANSACTIONS

Included in other operating charges are the following:

- £24,000 (2016 - £26,000) in respect of Ocorian (UK) Limited (formerly Bedell Trust UK Limited) of which R Deller is a director.
- J E M Harington was paid £15,000 (2016 - £15,000).
- £36,500 in respect of Ray Gasson and Associates Limited of which P Baughan is a director.

As at 31 December 2017 the creditor due to Ray Gasson and Associates Limited was £11,250. At 31 December 2016 Ray Gasson and Associates Limited was not a related party.