

Company Registration No. 09123713 (England and Wales)

THE TRINLEY ESTATE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

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THE TRINLEY ESTATE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Directors' 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 accounting estimates that are reasonable and prudent;
- 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**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2019**

		2019		2018 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6		51,186		63,982
Tangible assets	7		19,436,609		19,234,067
Investment properties	8		3,177,500		3,131,981
			<u>22,665,295</u>		<u>22,430,030</u>
Current assets					
Stocks			449,319		465,471
Debtors	9		224,734		171,622
Cash at bank and in hand			982,273		1,148,196
			<u>1,656,326</u>		<u>1,785,289</u>
Creditors: amounts falling due within one year	10		<u>(167,667)</u>		<u>(195,973)</u>
Net current assets			<u>1,488,659</u>		<u>1,589,316</u>
Total assets less current liabilities			<u>24,153,954</u>		<u>24,019,346</u>
Provisions for liabilities	11		<u>(133,365)</u>		<u>(50,163)</u>
Net assets			<u><u>24,020,589</u></u>		<u><u>23,969,183</u></u>
Capital and reserves					
Called up share capital	12		23,260,999		23,260,999
Revaluation reserve	14		38,237		38,237
Capital redemption reserve	14		1,240,001		1,240,001
Fair value reserve	14		45,519		-
Profit and loss reserves	14		<u>(564,167)</u>		<u>(570,054)</u>
Total equity			<u><u>24,020,589</u></u>		<u><u>23,969,183</u></u>

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

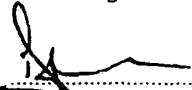
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

THE TRINLEY ESTATE LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 25 JUNE 2020
and are signed on its behalf by:



P G Baughen
Director

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

The Trinley Estate Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Middle Hill, Hook Norton, Banbury, Oxfordshire, OX15 5PL.

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 investment properties. The principal accounting policies adopted are set out below.

Going concern

These financial statements have been prepared on a going concern basis on the grounds that the directors consider that the company holds sufficient cash reserves to provide significant headroom to any cashflow uncertainties and therefore the company will be able to continue to meet its debts as they fall due. In making this assessment the directors have taken account of the ongoing COVID-19 situation and the uncertainty this presents in drawing their conclusion.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Residential rental income is recognised on an accruals basis.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of an unincorporated farming business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is four years.

Intangible fixed assets other than goodwill

Intangible fixed assets comprise of entitlements and goodwill.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

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 Agriculture Policy reform.

The entitlements were revalued in 2015 and then this valuation was used as deemed cost on conversion to FRS102 in the 2016 year end.

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

Entitlements	6 years straight line
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Tangible fixed assets

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

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Freehold property	1.92% straight line
Plant and machinery	20-25% reducing balance
Containers and fixtures and fittings	20% reducing balance
Tractors and motor vehicles	20% reducing balance

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.

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.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Cultivations are valued on the basis of actual direct costs plus attributable overheads based on industry standard rates to estimate absorption. Grain in store is valued at deemed cost based on sales price less 25% deemed margin.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

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 when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors 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.

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

Equity instruments

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

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

2 Change in accounting policy

Previously, investment property has been accounted for as land and buildings and held at cost. In accordance with FRS102 Section 16.8, 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.

Section 16.8 has been removed from FRS102 under the Triennial Review 2017, effective for periods commencing on or after 1 January 2019. Investment property is now measured using the fair value model and stated at its fair value as at the reporting date. The surplus or deficit on revaluation is recognised in the income statement.

In accordance with FRS102 Section 10.11a and Section 10.12, the Company has applied the new accounting policy to comparative information for prior periods.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Prior period adjustment

As highlighted in note 2, the company has applied the new accounting policy for investment properties to comparative information for prior periods. The effect of the change in accounting policy is as detailed below.

Changes to the statement of financial position

	At 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Tangible assets	22,300,966	(3,066,899)	19,234,067
Investment properties	-	3,131,981	3,131,981
	<u>23,904,101</u>	<u>65,082</u>	<u>23,969,183</u>
Net assets			
	<u>23,904,101</u>	<u>65,082</u>	<u>23,969,183</u>
Capital and reserves			
Profit and loss	(635,136)	65,082	(570,054)
	<u>(635,136)</u>	<u>65,082</u>	<u>(570,054)</u>

Changes to the income statement

	Period ended 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Administrative expenses	(741,832)	65,082	(676,750)
	<u>(741,832)</u>	<u>65,082</u>	<u>(676,750)</u>

Changes to the current financial statements

In the 2019 financial statements, the change in accounting policy has resulted in the following adjustments:

£62,842 increase in investment property and decrease in administrative expenses to remove depreciation charged in the year; and

£45,519 increase in investment property and fair value reserve to reflect the market value of the investment properties at the balance sheet date.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 4).

5 Directors' remuneration

	2019	2018
	£	£
Remuneration paid to directors	15,000	15,000
	<u>15,000</u>	<u>15,000</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Intangible fixed assets

	Goodwill £	Entitlements £	Total £
Cost or valuation			
At 1 January 2019 and 31 December 2019	413,500	124,965	538,465
Amortisation and impairment			
At 1 January 2019	413,500	60,983	474,483
Amortisation charged for the year	-	12,796	12,796
At 31 December 2019	413,500	73,779	487,279
Carrying amount			
At 31 December 2019	-	51,186	51,186
At 31 December 2018	-	63,982	63,982

As disclosed in the accounting policies, entitlements are held at deemed cost. The total amounts included would have been as follows:

	2019 £	2018 £
Cost	86,728	86,728
Accumulated amortisation	72,275	57,820
Carrying value	14,453	28,908

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

7 Tangible fixed assets

	Freehold property	Plant and machinery	Containers and fixtures and fittings	Tractors and motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2019 (restated)	18,685,496	279,275	23,811	538,699	19,527,281
Additions	361,568	271,860	35,400	-	668,828
Disposals	(13,330)	-	-	-	(13,330)
At 31 December 2019	19,033,734	551,135	59,211	538,699	20,182,779
Depreciation and impairment					
At 1 January 2019 (restated)	29,071	93,674	9,291	161,178	293,214
Depreciation charged in the year	57,863	50,076	4,161	74,632	186,732
Impairment losses	266,689	-	-	-	266,689
Eliminated in respect of disposals	(465)	-	-	-	(465)
At 31 December 2019	353,158	143,750	13,452	235,810	746,170
Carrying amount					
At 31 December 2019	18,680,576	407,385	45,759	302,889	19,436,609
At 31 December 2018 (restated)	18,656,425	185,601	14,520	377,521	19,234,067

As disclosed in the accounting policies, part of freehold land and property are held at deemed cost. The total amounts included would have been as follows:

	2019 £	2018 as restated £
Cost	19,703,136	19,703,136
Accumulated depreciation	(307,541)	(245,664)
Carrying value	19,395,595	19,457,472

More information on impairment movements in the year is given in note 7.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8 Investment property

	£
Fair value	
At 1 January 2018 and 31 December 2018	3,131,981
At 1 January 2019	3,131,981
Revaluations	45,519
At 31 December 2019	3,177,500

Investment property comprises freehold residential properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out on 29 October 2019 by Strutt & Parker, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

9 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	153,356	113,433
Other debtors	71,378	58,189
	<u>224,734</u>	<u>171,622</u>

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	100,493	70,965
Corporation tax	-	49,688
Other taxation and social security	6,076	24,092
Other creditors	61,098	51,228
	<u>167,667</u>	<u>195,973</u>

11 Provisions for liabilities

	2019 £	2018 £
Deferred tax liabilities	<u>133,365</u>	<u>50,163</u>

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

12 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Preference share capital		
Issued and fully paid		
23,259,999 preference B shares of £1 each	23,259,999	23,259,999
	<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 B Shares

The rights ascribed to this class of share do not carry entitlement to vote at any general meeting and are not entitled to any dividend payments. The preference B shares have priority rights over ordinary shares on a winding up or return of capital. The preference B shares are redeemable at the request of the company only, therefore treated as equity.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

13 Revaluation reserve

	2019 £	2018 £
At beginning and end of year	38,237	38,237

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

14 Reserves

Revaluation reserve

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

Equity reserve

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

Capital redemption reserve

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

Fair value reserve

The fair value reserve represents cumulative gains or losses on the movement in valuation of investment properties.

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	-	1,006

16 Events after the reporting date

In early 2020, the existence of the new coronavirus (COVID-19) was confirmed which has since spread across a significant number of countries, leading to the disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets and wider economic uncertainty. The Company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. Given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID-19 on the Company or to provide a quantitative estimate of this impact.

THE TRINLEY ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

17 Related party transactions

Remuneration of key management personnel

	2019 £	2018 £
Aggregate compensation	15,000	15,000

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Farm management fees	
	2019 £	2018 £
Other related parties	40,236	37,500

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
Amounts due to related parties		
Other related parties	10,657	11,250

18 Parent company

On 8 November 2019 the immediate parent company changed from Styviken Invest AS to Lindalen Capital Limited, a company incorporated in Cyprus (1 Lampoussa, Nicosia, 1095, Cyprus) and its ultimate parent undertaking is Lindalen Investment Limited, a company incorporated in Cyprus.

The ultimate controlling party is Mr B Saven.

19 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Thomas Morgan.

The auditor was RSM UK Audit LLP.