

BEARCROFT FARMS LIMITED

Company registration number SC039708

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

CONTENTS

	Page
Company Information	1
Statement of Financial Position	2 - 3
Statement of Changes in Equity	4
Notes to the Financial Statements	5 - 13

BEARCROFT FARMS LIMITED

COMPANY INFORMATION

Directors	Mrs E Atkin Miss C Atkin Mrs M James
Company secretary	Mrs E Atkin
Registered number	SC039708
Registered office	Bearcroft Farm Holywood Dumfries DG2 0RJ
Principal place of business	Bearcroft Farm Holywood Dumfries DG2 0RJ
Accountants	Scott-Moncrieff 25 Bothwell Street Glasgow G2 6NL

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	2,735,448	2,952,854
Investments	5	314	314
		<u>2,735,762</u>	<u>2,953,168</u>
Current assets			
Debtors: amounts falling due within one year	6	447,058	343,155
Cash at bank and in hand		95,560	163,186
		<u>542,618</u>	<u>506,341</u>
Creditors: amounts falling due within one year	7	(139,114)	(93,987)
Net current assets		<u>403,504</u>	<u>412,354</u>
Total assets less current liabilities		<u>3,139,266</u>	<u>3,365,522</u>
Creditors: amounts falling due after more than one year	8	(247,080)	(519,433)
Provisions for liabilities			
Deferred tax	10	(149,710)	(127,807)
		<u>(149,710)</u>	<u>(127,807)</u>
Net assets		<u><u>2,742,476</u></u>	<u><u>2,718,282</u></u>
Capital and reserves			
Called up share capital		37,295	37,295
Share premium account	11	262,921	262,921
Other reserves	11	110,039	58,518
Profit and loss account	11	2,332,221	2,359,548
		<u><u>2,742,476</u></u>	<u><u>2,718,282</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102.

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

As permitted by Section 444 of the Companies Act 2006, the directors have not delivered to the Registrar a copy of the company's statement of comprehensive income for the year ended 31 December 2018.

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

Miss C Atkin
Director

Date: 6 August 2019

The notes on pages 5 to 13 form part of these financial statements.

BEARCROFT FARMS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2017	37,295	262,921	58,518	2,312,468	2,671,202
Comprehensive income for the year					
Profit for the year	-	-	-	47,080	47,080
Fair value movements	-	-	-	-	-
Total comprehensive income for the year	-	-	-	47,080	47,080
At 1 January 2018	37,295	262,921	58,518	2,359,548	2,718,282
Comprehensive income for the year					
Profit for the year	-	-	-	24,194	24,194
Fairvalue movements	-	-	51,521	(51,521)	-
Total comprehensive income for the year	-	-	51,521	(27,327)	24,194
At 31 December 2018	37,295	262,921	110,039	2,332,221	2,742,476

The notes on pages 5 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 December 2018.

The continuing activity of Bearcroft Farms Limited ("The company") is that of property rental.

The company is a private company limited by shares incorporated in the United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company registration number is SC039708.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered a period of at least 12 months from the date of signing the accounts and feel it is appropriate to adopt a going concern basis.

2.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.6 Finance costs

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

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- Nil
Plant and machinery	- 25% reducing balance
Motor vehicles	- 15% reducing balance

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.9 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.10 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

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

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2017 - 5).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2018	2,911,236	132,175	25,551	3,068,962
Additions	5,748	27,280	-	33,028
Disposals	(290,005)	(3,500)	-	(293,505)
Revaluations	51,521	-	-	51,521
	<u>2,678,500</u>	<u>155,955</u>	<u>25,551</u>	<u>2,860,006</u>
At 31 December 2018				
Depreciation				
At 1 January 2018	-	95,936	20,172	116,108
Charge for the year on owned assets	-	10,604	1,346	11,950
Disposals	-	(3,500)	-	(3,500)
	<u>-</u>	<u>103,040</u>	<u>21,518</u>	<u>124,558</u>
At 31 December 2018				
Net book value				
At 31 December 2018	<u>2,678,500</u>	<u>52,915</u>	<u>4,033</u>	<u>2,735,448</u>
At 31 December 2017	<u>2,911,236</u>	<u>36,239</u>	<u>5,379</u>	<u>2,952,854</u>

Freehold property was revalued in the year to fair value in line with professional external valuations done by J & E Shepherd and DM Hall in October 2018.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Cost	2,562,716	2,852,721
Net book value	<u>2,562,716</u>	<u>2,852,721</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2018	314
At 31 December 2018	314
Net book value	
At 31 December 2018	314
<i>At 31 December 2017</i>	<i>314</i>

6. Debtors

	2018 £	2017 £
Trade debtors	-	295
Other debtors	430,620	329,310
Prepayments and accrued income	16,438	13,550
	<u>447,058</u>	<u>343,155</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	60,000	60,000
Trade creditors	38,108	3,929
Corporation tax	25,057	6,222
Other taxation and social security	4,635	11,431
Other creditors	50	50
Accruals and deferred income	11,264	12,355
	<u>139,114</u>	<u>93,987</u>

The following liabilities were secured:

	2018 £	2017 £
Bank loans	60,000	60,000
	<u>60,000</u>	<u>60,000</u>

Details of security provided:

Bank loans are secured over the assets of the company in favour of the Bank of Scotland.

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	247,080	519,433
	<u>247,080</u>	<u>519,433</u>

Details of security provided:

Bank loans are secured over the assets of the company in favour of the Bank of Scotland.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	60,000	60,000
	<u>60,000</u>	<u>60,000</u>
Amounts falling due 2-5 years		
Bank loans	240,000	240,000
	<u>240,000</u>	<u>240,000</u>
Amounts falling due after more than 5 years		
Bank loans	7,080	279,433
	<u>7,080</u>	<u>279,433</u>
	<u>307,080</u>	<u><u>579,433</u></u>

10. Deferred taxation

	2018 £
At beginning of year	(127,807)
Charged to profit or loss	(21,903)
At end of year	<u>(149,710)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(149,710)	(127,807)
	<u>(149,710)</u>	<u>(127,807)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Reserves

Share premium account

Share premium account includes amounts received above ordinary share value price during historical sales purchases.

Other reserves

Other reserves include gains on changes in fair value of freehold property which is a non-distributable reserve and so is shown separately from profit and loss reserves.

Profit and loss account

The profit and loss account includes current and prior year retained profits.

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £357 (2017 - £161). There were no contributions payable to the fund at the balance sheet date.

13. Transactions with directors

Included in other debtors are amounts owed to the company by the directors totalling £46,450 (2017: £43,439). During the year expenses totalling £3,005 (2017: £2,093) were paid by the company on behalf of the directors, the directors paid expenses totalling £322 (2017: £13,138) and were reimbursed £328 (2017: £13,178).

The loans are interest free and have no fixed repayment terms.

14. Related party transactions

Included in other debtors is an amount totalling £301,297 (2017: £227,211) due to the company from Bearcroft Trust, the majority shareholder. During the year, the company paid expenses totalling £74,086 (2017: £17,996) on behalf of Bearcroft Trust.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.