

COMPANY REGISTRATION NUMBER: SC190852

Scotfarms Limited
Filleted Unaudited Financial Statements
28 February 2019



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Scotfarms Limited

Statement of Financial Position

28 February 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	3,079,185	3,179,927
Investments	6	65	10
Biological assets	7	115,600	117,950
		<u>3,194,850</u>	<u>3,297,887</u>
Current assets			
Stocks		171,711	145,751
Debtors	8	2,813,281	1,555,052
Cash at bank and in hand		37,967	—
		<u>3,022,959</u>	<u>1,700,803</u>
Creditors: amounts falling due within one year	9	<u>536,568</u>	<u>1,133,483</u>
Net current assets		<u>2,486,391</u>	<u>567,320</u>
Total assets less current liabilities		<u>5,681,241</u>	<u>3,865,207</u>
Creditors: amounts falling due after more than one year	10	3,349,771	1,675,868
Provisions		<u>411,745</u>	<u>396,511</u>
Net assets		<u>1,919,725</u>	<u>1,792,828</u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		1,534,531	1,534,531
Profit and loss account		385,094	258,197
Shareholders funds		<u>1,919,725</u>	<u>1,792,828</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The statement of financial position
continues on the following page.

The notes on pages 3 to 8 form part of these financial statements.

Scotfarms Limited

Statement of Financial Position *(continued)*

28 February 2019

For the year ending 28 February 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 8 October 2019, and are signed on behalf of the board by:



Mrs M Simmers
Director

Company registration number: SC190852

The notes on pages 3 to 8 form part of these financial statements.

Scotfarms Limited

Notes to the Financial Statements

Year ended 28 February 2019

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Mains of Bogfechel Farmhouse, Whiterashes, Aberdeen, AB21 0QU.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a small company as defined in FRS 102. No cash flow statement has been presented for the company.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Scotfarms Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	- 2% straight line
Plant and machinery	- 20% reducing balance
Turbine and solar	- 5% straight line
Motor vehicles	- 25% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Biological assets

Biological assets measured under the fair value model are valued on initial recognition and at each reporting date at fair value less costs to sell. Changes in fair value less costs to sell are recognised in profit or loss. Agricultural produce harvested from these biological assets is measured at the point of harvest at its fair value less costs to sell.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Scotfarms Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 5 (2018: 5).

Scotfarms Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

5. Tangible assets

	Freehold property £	Plant and machinery £	Turbine and solar £	Motor vehicles £	Total £
Cost					
At 1 March 2018 and 28 February 2019	<u>1,820,000</u>	<u>76,633</u>	<u>1,619,029</u>	<u>54,589</u>	<u>3,570,251</u>
Depreciation					
At 1 March 2018	13,450	68,060	272,699	36,115	390,324
Charge for the year	<u>13,450</u>	<u>1,722</u>	<u>80,951</u>	<u>4,619</u>	<u>100,742</u>
At 28 February 2019	<u>26,900</u>	<u>69,782</u>	<u>353,650</u>	<u>40,734</u>	<u>491,066</u>
Carrying amount					
At 28 February 2019	<u>1,793,100</u>	<u>6,851</u>	<u>1,265,379</u>	<u>13,855</u>	<u>3,079,185</u>
At 28 February 2018	<u>1,806,550</u>	<u>8,573</u>	<u>1,346,330</u>	<u>18,474</u>	<u>3,179,927</u>

The farm land and buildings have been revalued in the year in accordance with a valuation report provided by Strutt & Parker in February 2018. Freehold Property includes land at £1,147,500 on which no depreciation is charged.

6. Investments

	Other investments other than loans £
Cost	
At 1 March 2018	10
Additions	<u>55</u>
At 28 February 2019	<u>65</u>
Impairment	
At 1 March 2018 and 28 February 2019	<u>—</u>
Carrying amount	
At 28 February 2019	<u>65</u>
At 28 February 2018	<u>10</u>

Scotfarms Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

7. Biological assets

Biological assets held at fair value

	Cattle herd £
Valuation	
At 1 March 2018	117,950
Loss on changes in fair value less costs to sell	—
Sales	(2,350)
At 28 February 2019	115,600

8. Debtors

	2019 £	2018 £
Trade debtors	355,242	274,565
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,432,070	1,255,256
Other debtors	25,969	25,231
	<u>2,813,281</u>	<u>1,555,052</u>

9. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	247,469	892,186
Trade creditors	163,835	172,360
Accruals and deferred income	62,069	50,221
Corporation tax	45,839	1,337
Social security and other taxes	1,116	1,139
Obligations under finance leases and hire purchase contracts	16,240	16,240
	<u>536,568</u>	<u>1,133,483</u>

The bank loans and overdrafts are secured by a charge over the assets of the company.

10. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	3,334,265	1,644,122
Obligations under finance leases and hire purchase contracts	15,506	31,746
	<u>3,349,771</u>	<u>1,675,868</u>

Included within creditors falling due after more than one year are the following bank loans which are repayable after more than five years:

- 1) Balance of £619,865 repayable by monthly instalments of £3,089.
- 2) Balance of £364,997 repayable by quarterly instalments of £28,088.
- 3) Balance of £1,359,525 repayable by quarterly instalments of £46,909.

Scotfarms Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2019

10. Creditors: amounts falling due after more than one year *(continued)*

The bank loans and overdrafts are secured by a charge over the assets of the company.