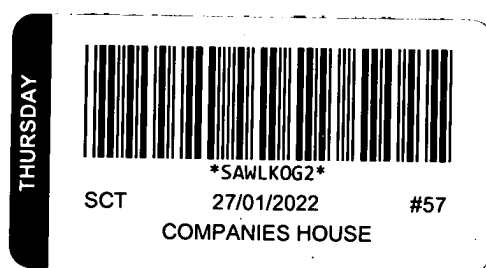


Limited Liability Partnership Registration No. SO300708 (Scotland)

THE FORESTRY PARTNERSHIP 2008 LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
PAGES FOR FILING WITH REGISTRAR



THE FORESTRY PARTNERSHIP 2008 LLP

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THE FORESTRY PARTNERSHIP 2008 LLP

STATEMENT OF FINANCIAL POSITION

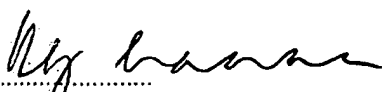
AS AT 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3	217,275,000		142,375,000	
Current assets					
Debtors	4	1,285,316		707,545	
Cash at bank and in hand		8,286,583		4,568,871	
		<u>9,571,899</u>		<u>5,276,416</u>	
Creditors: amounts falling due within one year	5	<u>(4,124,219)</u>		<u>(705,251)</u>	
Net current assets		<u>5,447,680</u>		<u>4,571,165</u>	
Total assets less current liabilities		<u>222,722,680</u>		<u>146,946,165</u>	
Creditors: amounts falling due after more than one year	6	<u>(7,700,000)</u>		<u>(7,700,000)</u>	
Net assets attributable to members		<u><u>215,022,680</u></u>		<u><u>139,246,165</u></u>	
Represented by:					
Loans and other debts due to members within one year					
Other amounts		10,250,944		4,374,800	
Members' other interests					
Members' capital classified as equity		48,198,948		46,198,948	
Revaluation reserve		156,572,788		88,672,417	
		<u><u>215,022,680</u></u>		<u><u>139,246,165</u></u>	

The members of the limited liability partnership 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 limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 6.1.22 and are signed on their behalf by:


 Ronald Hanna*
 Designated member

Limited Liability Partnership Registration No. SO300708

THE FORESTRY PARTNERSHIP 2008 LLP

RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

Current financial year	EQUITY				DEBT		TOTAL
	Members' other interests				Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital	Revaluation reserve	Other reserves	Total	Other amounts	Total	Total 2021
	£	£	£	£	£	£	£
Members' interests at 1 October 2020	46,198,948	88,672,417	-	134,871,365	4,374,800	4,374,800	139,246,165
Net income for the financial year available for discretionary division among members	-	-	6,204,771	6,204,771	-	-	6,204,771
Members' interests after net income for the year	46,198,948	88,672,417	6,204,771	141,076,136	4,374,800	4,374,800	145,450,936
Allocation of net income for the financial year	-	-	(6,204,771)	(6,204,771)	-	-	(6,204,771)
Surplus arising on revaluation of fixed assets	-	67,900,371	-	67,900,371	-	-	67,900,371
Introduced by members	2,000,000	-	-	2,000,000	-	-	2,000,000
Allocation of net income for the financial year	-	-	-	-	6,204,771	6,204,771	6,204,771
Drawings	-	-	-	-	(328,627)	(328,627)	(328,627)
Members' interests at 30 September 2021	48,198,948	156,572,788	-	204,771,736	10,250,944	10,250,944	215,022,680

THE FORESTRY PARTNERSHIP 2008 LLP

RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Prior financial year	EQUITY				DEBT		TOTAL MEMBERS' INTERESTS
	Members' other interests				Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital £	Revaluation reserve £	Other reserves £	Total £	Other amounts £	Total £	
Members' interests at 1 October 2019	44,533,785	56,259,262	-	100,793,047	7,348,186	7,348,186	108,141,233
Net expenditure for the financial year available for discretionary division among members	-	-	(2,755,174)	(2,755,174)	-	-	(2,755,174)
Members' interests after net expenditure for the year	44,533,785	56,259,262	(2,755,174)	98,037,873	7,348,186	7,348,186	105,386,059
Allocation of net expenditure for the financial year	-	-	2,755,174	2,755,174	-	-	2,755,174
Surplus arising on revaluation of fixed assets	-	32,413,155	-	32,413,155	-	-	32,413,155
Introduced by members	1,665,163	-	-	1,665,163	-	-	1,665,163
Allocation of net income for the financial year	-	-	-	-	(2,755,174)	(2,755,174)	(2,755,174)
Drawings	-	-	-	-	(218,212)	(218,212)	(218,212)
Members' interests at 30 September 2020	46,198,948	88,672,417	-	134,871,365	4,374,800	4,374,800	139,246,165

THE FORESTRY PARTNERSHIP 2008 LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Limited liability partnership information

The Forestry Partnership 2008 LLP is a limited liability partnership incorporated in Scotland. The registered office is Suite G, Riverview House, Friarton Road, Perth, United Kingdom, PH2 8DF.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together 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 limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

If, at the balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the balance sheet date are carried forward as work in progress.

1.4 Tangible fixed assets

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

Land	not depreciated
Timber	not depreciated

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 recognised in the income statement.

THE FORESTRY PARTNERSHIP 2008 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

The forests are carried at current year open market value at the balance sheet date. A full valuation was obtained at the year-end.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in profit or loss.

The policy of the LLP is to capitalise planting costs in accordance with FRS 102. New road costs are expensed to the profit and loss account.

1.5 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible 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 limited liability partnership 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The limited liability partnership 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 in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE FORESTRY PARTNERSHIP 2008 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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 limited liability partnership after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2021 Number	2020 Number
Total	-	-

THE FORESTRY PARTNERSHIP 2008 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 Tangible fixed assets

	Land £	Timber £	Total £
Cost or valuation			
At 1 October 2020	34,007,078	108,367,922	142,375,000
Additions	1,578,752	5,110,877	6,689,629
Revaluation	(5,455,830)	73,666,201	68,210,371
At 30 September 2021	30,130,000	187,145,000	217,275,000
Depreciation and impairment			
At 1 October 2020 and 30 September 2021	-	-	-
Carrying amount			
At 30 September 2021	30,130,000	187,145,000	217,275,000
At 30 September 2020	34,007,078	108,367,922	142,375,000

An independent valuation of the forest portfolio was carried out by Savills as at 30 September 2021.

Although it is a requirement to disclose the historic cost of the forests under the Companies Act 2006, it is the opinion of the Investment Committee that it is not a meaningful figure given that the forests grow and are being harvested as they become mature.

4 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,285,232	706,654
Other debtors	84	891
	<u>1,285,316</u>	<u>707,545</u>

5 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	809,439	553,740
Taxation and social security	232,269	64,046
Other creditors	3,082,511	87,465
	<u>4,124,219</u>	<u>705,251</u>

THE FORESTRY PARTNERSHIP 2008 LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	7,700,000	7,700,000

The LLP has one bank loan which is secured by a standard security over some of the LLP's forests and a cash deposit held in a separate account.

The capital of the loan is £7,700,000, repayable in one installment in September 2024, coinciding with the next continuation vote.

7 Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

8 Audit report information

The auditor's report was unqualified.

The senior statutory auditor was Michael Harkness and the auditor was Azets Audit Services.

9 Related party transactions

Gresham House Asset Management Ltd (part of the Gresham House Plc group) is the company's forestry manager and is a participator in the LLP.

Annual forestry manager fees of £1,233,738 (2020: £1,006,234) were charged by Gresham House Forestry Limited in the year. There were additional ad hoc fees in relation to the purchase of forests of £180,360 (2020: £nil).

There was a balance of £374,843 (2020: £301,642) due to Gresham House Forestry Limited included in trade creditors at the year-end.