CULFARGIE ESTATES LIMITED

Registered Number: SC012977

Financial Statements

For the year ended 31 March 2021

CULFARGIE ESTATES LIMITED

Financial Statements

For the year ended 31 March 2021

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The following pages do not form part of the statutory accounts

CULFARGIE ESTATES LIMITED

Company Information

For the year ended 31 March 2021

Incorporated in Scotland on 15 January 1924

Registered Number
SC012977

Directors
B W P Kaye
N F McGowan
E McLaren (appointed 1 June 2020)

Secretary
N F Ritchie

Registered Office
Tarrylaw
Balbeggie
Perthshire
PH2 6HJ

Bankers
The Royal Bank of Scotland plc
131 South Street
Perth
PH2 8PQ

Solicitors
Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

Auditor
Azets Audit Services
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

CULFARGIE ESTATES LIMITED

Directors' Report

For the year ended 31 March 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the company continued to be that of a farming and property holding company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B W P Kaye
N F McGowan
E M McLaren (appointed 1 June 2020)

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On 7 September 2020 Group Audit Services Limited, trading as Scott Moncrieff Audit Services, changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

Statement of directors' responsibilities

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). 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Business review and future developments

The year to 31st March 2021 produced a profit of £89,399 against a loss of £71,590 for the year to 31st March 2020.

The Farm produced a useful return with improved prices for arable crops and livestock.

The Estate gave a satisfactory return despite substantial property repair costs.

The Game account suffered from Covid restrictions which halted operations in January thus giving a substantial loss.

Despite a delay with a clear fell, the Woodlands account showed improved performance and recorded a small loss.

Performance in the coming year looks encouraging although increasingly unpredictable weather patterns cause concern.

Profit, dividends and appropriations

The results for the year are shown in the Statement of Comprehensive Income on page 11. The directors do not propose payment of an ordinary dividend.

Fixed assets

Changes in fixed assets during the year are set out in note 9 to the financial statements.

Small Companies Exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Neil Ritchie

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N F Ritchie

Company Secretary

Date: 19th August 2021

CULFARGIE ESTATES LIMITED

Independent Auditor's Report to the Members of Culfargie Estates Limited

For the year ended 31 March 2021

Opinion

We have audited the financial statements of Culfargie Estates Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

- Reviewing minutes of meetings of those charged with governance;

- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Gareth Magee (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

19th August 2021

Chartered Accountants
Statutory Auditor

Exchange Place 3
Semple Street
Edinburgh
United Kingdom
EH3 8BL

CULFARGIE ESTATES LIMITED

Statement of Comprehensive Income

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Turnover	4	1,650,173	1,680,289
Cost of sales		(908,560)	(1,041,774)
Gross profit		741,613	638,515
Administrative expenses		(638,802)	(691,878)
Operating profit/(loss)	5	102,810	(53,363)
Interest receivable		158	154
Interest payable	7	(13,570)	(18,381)
Profit / (Loss) on ordinary activities before taxation	5	89,399	(71,590)
Tax charge on profit on ordinary activities	8	(538,536)	(232,665)
Loss on ordinary activities after taxation		(449,137)	(304,255)
Other comprehensive income			
Unrealised gain on revaluation of heritable property		1,829,892	-
Total comprehensive income/ (expenditure) for the year		1,380,755	(304,255)

All activities of the company are classed as continuing.

The notes on pages 12 to 23 form part of these financial statements.

CULFARGIE ESTATES LIMITED

Balance Sheet

As at 31 March 2021

	Notes	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Tangible assets	9		20,906,287		18,914,532
Investments	10		6,655		6,497
			20,912,942		18,921,029
Current assets					
Stocks	11	562,634		492,223	
Debtors	12	127,284		460,890	
Cash at bank and in hand		288,632		138,888	
		978,550		1,092,001	
Creditors: amounts falling due within one year	13	(403,355)		(464,694)	
Net current assets/(liabilities)			575,195		627,307
Total assets less current liabilities			21,488,137		19,548,336
Creditors: amounts falling due after more than one year	14		(441,599)		(472,302)
Provisions for liabilities	15		(2,489,726)		(1,989,977)
			18,556,812		17,086,057
Capital and reserves					
Called up share capital			42,500		42,500
Revaluation reserve			13,720,141		12,373,595
Parent company loan	16		6,060,000		5,970,000
Profit and loss account			(1,265,829)		(1,300,038)
			18,556,812		17,086,057

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.

The financial statements were approved an authorised for issue by the Board on 9th August 2021 and signed on its behalf by:

B W P Kaye

B W P Kaye
Director
Registered Number: SC012977

The notes on pages 12 to 23 form part of these financial statements.

CULFARGIE ESTATES LIMITED

Statement of Changes in Equity

For the year ended 31 March 2021

	Share capital	Revaluation reserve	Parent company loan	Profit and loss account	Total
	£	£	£	£	£
As at 1 April 2019	42,500	12,566,970	5,870,000	(1,189,158)	17,290,312
Loss for the year	-	(193,375)	-	(110,880)	(304,255)
Other comprehensive income	-	-	-	-	-
Loan drawdown	-		100,000		100,000
As at 31 March 2020	42,500	12,373,595	5,970,000	(1,300,038)	17,086,057
Loss for the year	-	(483,346)	-	34,209	(449,137)
Other comprehensive income	-	1,829,892	-	-	1,829,892
Loan drawdown	-	-	90,000	-	90,000
As at 31 March 2021	42,500	13,720,141	6,060,000	(1,265,829)	18,556,812

The notes on pages 12 to 23 form part of these financial statements.

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up For the year ended 31 March 2021.

The continuing activities of Culfargie Estates Limited ('the company') are that of a farming and property holding company.

The company is a private company limited by shares and is incorporated in 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's registered number is SC012977.

2. Accounting policies

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 (see note below).

Statement of cash flows
The financial statements do not include a statement of cash flows because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under FRS 102.

Going concern
The financial statements have been prepared on a going concern basis as an undertaking has been received from the directors of all group companies that they have no present intention of enforcing payment of the outstanding balances on their loan accounts. In addition, the parent company has confirmed that it will continue to provide financial assistance as is required to allow the company to trade for at least twelve months from the date that the financial statements are signed by the Board.

Turnover
Turnover represents the value of goods and services, excluding value added tax, rendered during the year.

Investments
Unquoted investments are included at cost less any provision for permanent diminution in value.

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.

Financial instruments
The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

2. Accounting Policies (continued)

Financial instruments (continued)
Debt instruments are mostly payable or receivable within one year, typically trade payables or receivables measured, initially and subsequently, at the undiscounted amount of cash or other consideration, expected to be paid or received. The amounts due after 1 year relate to hire purchase agreements and are also measured, initially and subsequently, at the undiscounted amount of cash expected to be paid

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

Tangible fixed assets and depreciation
Fixed assets are stated at cost, less accumulated depreciation, with the exception of heritable property and biological assets.

Heritable property is professionally valued with sufficient regularity and stated at fair value at the balance sheet date as shown in note 9.

The directors perform an impairment review on all tangible fixed assets on an annual basis as shown in note 9.

Biological assets are held at deemed cost, based on historical purchase prices. None of the herd held in fixed assets are depreciated as they are all deemed to have a constant value across their useful lives.

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives as follows:

- Plant and equipment — 5 - 25% reducing balance
- Motor vehicles — 20 - 25% reducing balance

Depreciation is provided on leased assets to write off the value less estimated residual value over the lease periods on a reducing balance basis. No provision for depreciation is made for heritable property. It is the company's policy to maintain its properties in good condition. Costs of repairs and maintenance are charged against revenue in the year in which they are incurred.

Leases and hire purchase contracts
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Statement of Comprehensive Income over the period of the lease.

All other leases are regarded as operating leases and the total payments made under them are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Stocks
Stocks are valued at a conservative market value. It is the opinion of the directors that the net realisable value is not less than this.

Government grants
Grants of a revenue nature are credited to the Statement of Comprehensive Income in the year in which they accrue. Grants of a capital nature received for land and buildings (which are not depreciated) have been deducted from the original cost of the relevant asset.

2. Accounting Policies (continued)

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.

Current and deferred taxation
The tax expense for the year comprises of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change 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 either 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 balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Pension costs
The company operates defined contribution schemes for employees and directors. The assets of the schemes are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Foreign currencies
Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reporting income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates which have been deemed appropriate for the class of the asset.

4. Analysis of results

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

The turnover and (loss)/profit before taxation attributable to the different classes of the company's business are:

	Turnover		(Loss)/profit on ordinary activities before taxation	
	2021	2020	2021	2020
	£	£	£	£
By activity				
Farming	1,464,186	1,457,472	214,480	87,735
Property and investments	186,987	222,817	(125,081)	(159,325)
	1,650,173	1,680,289	(89,399)	(71,590)

5. Operating (loss)/profit

	2021	2020
	£	£
Operating (loss)/profit is stated after crediting:		
Grants and subsidies	274,451	295,065
Profit on disposal of fixed assets	8,269	2,346
and after charging:		
Depreciation of tangible fixed assets	132,578	132,480
Auditor's remuneration – audit fees	8,728	8,555
Auditor's remuneration – non audit fees	5,512	8,685

6. Directors and employees

	2021	2020
	£	£
Staff costs		
Wages and salaries	308,078	266,676
Social security costs	30,418	27,282
Pensions costs	11,089	9,446
	349,585	303,404

	Number	Number
Average number employed including Executive Directors		
Office and management	4	4
Farm workers	7	6
	11	10

Two directors received emoluments of £26,410 (2020 – two directors received emoluments of £36,365) and the company contributed £nil (2020 - £nil) to their pensions.

Defined contribution scheme

The company operates a defined contribution group scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end the outstanding contribution payable by the company is £nil (2020 - £nil).

The contributions are based on pension costs across the group as a whole.

7. Interest payable

	2021	2020
	£	£
Bank interest on overdraft and loans	10,467	15,914
Hire purchase interest	3,103	2,467
	13,570	18,381

8. Taxation

	2021 £	2020 £
(a) Analysis of tax charge/(credit) for the year		
Current year tax charge	29,717	24,685
Adjustment in respect of prior year	1,233	(1,233)
Under provision relating to prior year	7,837	-
Current tax charge	38,787	23,452
Deferred tax movement	499,749	209,213
Tax charge/(credit) on profit on ordinary activities	538,536	232,665

	2021 £	2020 £
(b) Factors affecting current tax credit for the year		
Taxation on profit on ordinary activities before taxation at standard rate of tax of 19% (2021 - 19%)	16,986	(13,602)
Effect of:		
Expenses not deductible for tax purposes	28,066	37,262
Income not taxable for tax purposes	-	-
Adjustment in respect of prior years – current tax	1,233	(1,233)
Capital gains differences at 19%	483,346	-
Fixed asset differences	1,068	736
Adjust net deferred tax to average rate of 19%	-	209,502
Under provision relating to prior year	7,837	-
Current tax charge/(credit)	538,536	232,665

CULFARGIE ESTATES LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 March 2021

9. Tangible fixed assets

	Heritable property £	Motor vehicles £	Plant & equipment £	Total £
Cost or valuation				
As at 1 April 2020	17,906,328	220,662	1,846,221	19,973,211
Additions	120,780	18,484	185,886	325,150
Disposals	-	(17,175)	(116,131)	(133,306)
Revaluation	1,829,892	-	-	1,829,892
As at 31 March 2021	19,857,000	221,971	1,915,976	21,994,947
Depreciation				
As at 1 April 2020	-	172,203	1,062,037	1,234,240
Charge for year	-	8,507	124,071	132,578
Disposals	-	(8,297)	(95,271)	(103,568)
As at 31 March 2021	-	172,413	1,090,836	1,263,249
Net book amount				
As at 31 March 2021	19,857,000	49,558	825,140	20,731,698
As at 31 March 2020	17,906,328	48,459	784,185	18,738,971

	2021 £	2020 £
Breeding Herd		
As at 1 April 2020	175,561	188,511
Increase/(decrease) in value	(972)	(12,950)
As at 31 March 2021	174,589	175,561
Summary		
Fixed assets	20,731,698	18,738,972
Breeding herd	174,589	175,561
Total net book amount	20,906,287	18,914,533

9. Tangible fixed assets (continued)

The company's heritable property was revalued on an open market value basis by an independent firm of Chartered Surveyors as at 31 March 2021. There was an increase of £1,829,892 in the value of the property.

The historic cost of the land and buildings is £3,323,852 (2020 - £3,323,852).

The company's heritable property is considered to have a high residual value and a useful economic life in excess of fifty years. It is the directors' policy to maintain the buildings in a continual state of sound repair and accordingly the depreciation charge is considered immaterial and no charge has therefore been made.

An impairment review is carried out on all tangible fixed assets on an annual basis. Such a review has been performed and in the directors' opinion the market value and residual value of all tangible fixed assets is in excess of the carrying value and there is no impairment.

Included in plant and equipment are assets financed under hire purchase with a net book value of £79,085 (2020 - £170,538) and a depreciation charge of £15,871 (2020 - £31,250).

10. Fixed asset investments

	At 1 April 2020 £	Movement in the year £	At 31 March 2021 £
East of Scotland Farmers Ltd	6,184	158	6,342
East of Scotland Growers Ltd	1	-	1
Farmings Partnership	100	-	100
Perthshire Machinery Ring Ltd	50	-	50
East of Scotland (Dry & Store) Ltd	50	-	50
Scottish Agronomy Ltd	10	-	10
Aberdeen Angus Producers	50	-	50
Mearns and Angus Machinery Ring Ltd	50	-	50
United Oilseed Producers	1	-	1
Grain Farmers plc	1	-	1
	6,497	158	6,655

No listed investments were held by the company at 31 March 2021 or 31 March 2020.

11. Stocks

	2021	2020
	£	£
Trading Stock		
Cattle	221,515	161,150
Sheep	-	3,445
Crops	241,328	204,888
Sundry	99,791	122,740
	562,634	492,223

12. **Debtors:** amounts falling due within one year

	2021	2020
	£	£
Trade debtors	3,975	59,008
Amounts owed by group companies	39,650	89,650
Other debtors	51,561	32,795
VAT debtor	6,952	38,671
Prepayments and accrued income	25,146	240,766
	127,284	460,890

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Overdrafts	-	131,176
Bank loans	50,000	50,000
Trade creditors	131,216	99,879
Accruals and deferred income	120,331	102,484
Other tax and social security	8,775	7,007
Sundry creditors	270	769
Hire purchase contracts - note 14	63,046	49,927
Corporation tax payable	29,717	23,452
	403,355	464,694

The company meets its working capital requirements through an overdraft facility, which is secured over all of the property and assets and is repayable on demand. The company is currently operating within an overdraft facility of £300,000, which is due for review on 31 August 2021. The current borrowing facilities consist of a £300,000 overdraft facility and a term loan of £600,000.

The term loan is repayable seven years after it was drawn down in 2017, with annual repayments of £50,000 followed by a final balancing instalment due in 2024.At the year end, £450,000 (2020: £500,000) was outstanding and included is in creditors. Bank borrowing is secured by a bond and floating charge over the assets of the company.

The directors are satisfied that the current facilities, when combined with support of other group companies, are at a sufficient level to allow the company to meet its short term liabilities for a period of at least twelve months from the date that the financial statements are signed by the Board. Bank borrowing is secured by a bond and floating charge over the assets of the company.

An undertaking has been received from the directors of all group companies confirming that they have no present intention of enforcing repayment of the outstanding balances on their inter-company loan accounts for a period of at least twelve months from the date that the financial statements are signed by the Board.

14. Creditors: amounts falling due after one year

	2021	2020
	£	£
Hire purchase contracts	41,600	22,302
Bank loan	400,000	450,000
	441,600	472,302

Obligations under and hire purchase contracts are repayable over various periods by instalments as follows:

	2021	2020
	£	£
In the next year - see note 13	63,046	49,927
In the second to fifth year	41,600	22,302
	104,646	72,229

The hire purchase liabilities are secured upon the assets to which they relate.

The bank term loan is secured by a bond and floating charge over all of the assets of the company. The loan bears interest and is wholly repayable in 2024.

15. Provision for liabilities

Provision for deferred tax	2021 £	2020 £
As at 1 April 2020	1,989,977	1,780,764
Movement in year	499,749	209,213
As at 31 March 2021	2,489,726	1,989,977

	2021 £	2020 £
The deferred tax balance comprises:		
Accelerated capital allowances	169,312	152,759
Taxation on unrealised surplus on revaluation of heritable property	2,320,414	1,837,068
As at 31 March 2021	2,489,726	1,989,977

16. Parent company loan

The parent company has advanced a loan for an indeterminate period of time at a nil rate of interest, repayable in part or in whole at the sole discretion of the company.

Under FRS 102, intercompany loans where the terms of the relationship between the company and its parent company resembles equity rather than debt, should be classified accordingly. The directors consider the substance of the loan agreement between the company and the parent company to be that of equity and have thus classified the loan as equity, rather than debt.

17. Ultimate holding company

The immediate and ultimate parent undertaking is Iowa Land Company Limited, a company incorporated in England. At the year end, and throughout the year, Iowa Land Company Limited owned all the share capital of the company. Group accounts for Iowa Land Company Limited are available to the public on payment of the appropriate fee, from Companies Registration Office, Companies House, Crown Way, Cardiff, CF14 3UZ.

The company has taken advantage of the exemption under FRS 102 Section 33 from the requirement to disclose information of transactions with the entities that are part of the group on the basis that consolidated group financial statements are publically available.

18. Other professional services provided by the auditor

In common with many other businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.