Company Registration No. SC121734 (Scotland)

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

COMPANY INFORMATION

Directors	D.M. Morrison W.H. Boase J.C. Goodgal P.A. Jackson J.D. McKenna
Secretary	
Company number	SC121734
Registered office	Cockielaw Whittinghame Haddington East Lothian EH41 4QF
Auditor	Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Clydesdale Bank 102 High Street Dalkeith EH22 1HZ
Solicitors	Gillespie MacAndrew 5 Atholl Crescent Edinburgh EH3 8EJ

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

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AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and financial statements for the year ended 30 June 2019.

Principal activities
The principal activity of the company continued to be that of arable farming. The company ceased trading during the period.

Results and dividends
The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

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

W.M. Jackson (Resigned 30 September 2019)
D.M. Morrison
W.H. Boase
J.C. Goodgal
P.A. Jackson
J.D. McKenna

Supplier payment policy
The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:
- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Future developments
In November 2018, the company's operations were transferred to its fellow subsidiary, Greenshields Agri Limited. The company is therefore no longer trading.

Auditor
Greaves West & Ayre were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

....

J.D. McKenna

Director

Date: 18/11/19

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

Opinion

We have audited the financial statements of Agricultural Management (Haddington) Limited (the 'company') for the year ended 30 June 2019 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

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 strategic report and 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.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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.

Stuart Allister CA (Senior Statutory Auditor)
for and on behalf of Greaves West & Ayre

28 November 2019

Chartered Accountants
Statutory Auditor

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Revenue	3	1,392,913	1,275,457
Cost of sales		(968,866)	(299,913)
Gross profit		424,047	975,544
Administrative expenses (excl depreciation)		(447,134)	(747,157)
Administrative expenses - depreciation		(43,923)	(175,545)
Operating (loss)/profit	4	(67,010)	52,842
Finance costs	6	(19,238)	(21,646)
(Loss)/profit before taxation		(86,248)	31,196
Income tax income/(expense)	7	107,125	(6,688)
Profit and total comprehensive income for the year	25	20,877	24,508

The income statement has been prepared on the basis that all operations are continuing operations.

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	2019 £	2018 £
Non-current assets			
Intangible assets	8	-	23,647
Property, plant and equipment	9	-	1,095,388
Investments		-	80
		-	1,119,115
Current assets			
Inventories	10	-	454,209
Trade and other receivables	12	1,681,991	721,385
Cash and cash equivalents		981	305
		1,682,972	1,175,899
Total assets		1,682,972	2,295,014
Current liabilities			
Trade and other payables	18	526,765	725,103
Obligations under finance leases	19	56,369	53,891
Borrowings	20	232,010	481,928
		815,144	1,260,922
Net current liabilities		867,828	(85,023)
Non-current liabilities			
Deferred tax liabilities	21	-	107,125
Obligations under finance leases	19	94,828	151,197
		94,828	258,322
Total liabilities		909,972	1,519,244
Net assets		773,000	775,770
Equity			
Called up share capital	23	40	40
Revaluation reserve	24	-	23,647
Retained earnings	25	772,960	752,083
Total equity		773,000	775,770

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2019

The financial statements were approved by the Board of directors and authorised for issue on ......18/11/19......
Signed on its behalf by:

....
J.D. McKenna
Director

Company Registration No. SC121734

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Share capital	Revaluation reserve	Retained earnings	Total
	£	£	£	£
Balance at 1 July 2017	40	26,562	727,575	754,177
Year ended 30 June 2018:				
Profit and total comprehensive income for the year	-	-	24,508	24,508
Other movements	-	(2,915)	-	(2,915)
Balance at 30 June 2018	40	23,647	752,083	775,770
Year ended 30 June 2019:				
Profit and total comprehensive income for the year	-	-	20,877	20,877
Other movements	-	(23,647)	-	(23,647)
Balance at 30 June 2019	40	-	772,960	773,000

AGRICULTURAL MANAGEMENT (HADDINGTON) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash (absorbed by)/generated from operations	31		(727,873)		148,360
Interest paid			(19,238)		(21,646)
Net cash (outflow)/inflow from operating activities			(747,111)		126,714
Investing activities					
Proceeds on disposal of intangibles		(1)		8,860	
Purchase of property, plant and equipment		(721)		(169,342)	
Proceeds on disposal of property, plant and equipment		1,052,236		4,414	
Proceeds on disposal of investments		80		-	
Net cash generated from/(used in) investing activities			1,051,594		(156,068)
Financing activities					
Payment of obligations under finance leases		(53,891)		(3,039)	
Net cash used in financing activities			(53,891)		(3,039)
Net increase/(decrease) in cash and cash equivalents			250,592		(32,393)
Cash and cash equivalents at beginning of year			(481,623)		(449,230)
Cash and cash equivalents at end of year			(231,029)		(481,623)
Relating to:					
Bank balances and short term deposits			981		305
Bank overdrafts			(232,010)		(481,928)
			(231,029)		(481,623)

1 Accounting policies

Company information

Agricultural Management (Haddington) Limited is a private company limited by shares incorporated in Scotland. The registered office is Cockielaw, Whittinghame, Haddington, East Lothian, EH41 4QF.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, (except as otherwise stated).

The financial statements have been prepared on the historical cost basis, except for the revaluation of . The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

During the year the company ceased trading however continues to have third-party debt on its balance sheet. It is therefore reliant on the support of its fellow group members in order to continue being able to service this debt.

1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible assets other than goodwill

Intangible assets comprise entitlements receivable under the Basic Payment. Such assets are held at their fair value and reviewed annually for impairment. Any impairment losses are taken to the statement of comprehensive income and revaluation gains are held within a revaluation surplus within equity,

1 Accounting policies **(Continued)**

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Tenants improvements	0%, 4% and 10% Straight line
Office equipment	25% Reducing balance
Plant and machinery	15% Reducing balance
Motor vehicles	25% Reducing balance
Wind turbines	4% Straight line

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.

1.6 Impairment of tangible and intangible assets

At each reporting 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

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.

1.7 Inventories

Biological assets are measured on initial recognition and at each balance sheet date at fair value in accordance with IAS 41. Any changes in fair value are recognised in the statement of comprehensive income in the year in which they arise.

1 Accounting policies **(Continued)**

1.8 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at 'Fair Value Through Profit and Loss' (FVTPL), are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The company recognizes financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

1 Accounting policies **(Continued)**

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

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

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the fair value of the assets at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, less any lease incentives received, are charged to income 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 lease asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the company and have an effect on the current period or a prior period or may have an effect on future periods:

IFRS 9, 'Financial instruments'

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost; fair value through other comprehensive income; and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income, not recycling. An expected credit losses model replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there are no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright-line hedge effectiveness tests. To qualify for hedge accounting, it requires an economic relationship between the hedged item and hedging instrument, and for the 'hedged ratio' to be the same as the one that management actually uses for risk management purposes. Contemporaneous documentation is still required, but it is different from that currently prepared under IAS 39. The Group has implemented IFRS 9 with effect from 1 July 2018 and this has not had a significant impact on the Group. The classification and measurement basis for the Group's financial assets and liabilities has not been changed by adoption of IFRS 9, and in addition as the Group does not have any hedges in place, there has been no impact of the changes in hedge accounting. The main impact of adopting IFRS 9 was likely to arise from the implementation of the expected loss model, however as the majority of the Group's financial assets fall due within one year the Group will use the practical expedient allowed under IFRS 9 in relation to short-term trade receivables and there is currently no significant value for expected losses based on historical information.

2 Adoption of new and revised standards and changes in accounting policies (Continued)

IFRS 15, 'Revenue from contracts with customers'

IFRS 15, 'Revenue from contracts with customers', deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. Variable consideration is included in the transaction price if it is highly probable that there will be no significant reversal of the cumulative revenue recognised when the uncertainty is resolved. The standard replaces IAS 18, 'Revenue', and IAS 11, 'Construction contracts', and related interpretations. The standard is effective for the curremt period beginning on 1 July 2018. There is no material change for any of the revenue streams and therefore IFRS 15 has not had a significant impact on the Group.

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 16 Leases
(Effective date - 1 January 2019)

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

IFRS 17 Insurance Contracts
(Effective date - 1 January 2021)

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

Based on the Company's current business model and accounting policies, Management does not expect that the adoption of these standards or interpretations will have a material impact on the financial information of the Company. The Company does not intend to early adopt any of these pronouncements.

3 Revenue

An analysis of the company's revenue is as follows:

	2019	2018
	£	£
Revenue analysed by class of business		
Contracting & other work done	442,671	742,375
Fertiliser sales	66,060	58,817
Crop sales	840,846	384,309
Let of land	-	14,318
Basic payment scheme	32,474	43,823
Wind turbine income	8,048	12,950
Futures profits/(losses)	-	16,815
Consultancy income	2,814	2,050
	1,392,913	1,275,457

4 Operating (loss)/profit

	2019	2018
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses	416	3,702
Fees payable to the company's auditor for the audit of the company's financial statements	2,688	10,270
Depreciation of property, plant and equipment	43,923	169,649
(Profit)/loss on disposal of property, plant and equipment	(50)	5,896
Profit on disposal of intangible assets	-	(8,861)
Cost of inventories recognised as an expense	929,091	255,475

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Full time and seasonal staff	3	5

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	124,924	175,944
Social security costs	12,586	17,743
Pension costs	2,184	3,908
	139,694	197,595

Redundancy payments in the year amount to £7,688 (2018 £-).

6 Finance costs

	2019	2018
	£	£
Interest on bank overdrafts and loans	12,128	12,709
Interest on lease liabilities	7,110	8,937
Total interest expense	19,238	21,646

7 Income tax expense

	2019	2018
	£	£
Deferred tax		
Origination and reversal of temporary differences	(107,125)	6,688

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2019	2018
	£	£
(Loss)/profit before taxation	(86,248)	31,196
Expected tax (credit)/charge based on a corporation tax rate of 19.00%	(16,387)	5,927
Effect of expenses not deductible in determining taxable profit	-	33,354
Utilisation of tax losses not previously recognised	-	(1,062)
Unutilised tax losses carried forward	16,387	-
Permanent capital allowances in excess of depreciation	-	(38,219)
Origination and reversal of temporary timing differences	(107,125)	6,688
Taxation (credit)/charge for the year	(107,125)	6,688

8 Intangible assets

	Entitlements
	£
At 1 July 2017	26,562
Disposals	(2,915)
At 30 June 2018	23,647
Disposals	(23,647)
Carrying amount	
At 30 June 2019	-
At 30 June 2018	23,647
At 30 June 2017	26,562

Intangible assets relate to the Basic Payment Scheme (BPS) entitlements and are held at fair value. The BPS is the European Union's main agricultural subsidy scheme and entitlement gives the right to a payment, provided it is supported by a hectare of eligible land and is actively farmed.

During the year to 30 June 2019, the Basic Payment Scheme entitlements were transferred to a group company at their fair value

At 30 June 2019, had the Basic Payment Scheme entitlement been carried at historical cost less accumulated amortisation and accumulated impairment losses, their carrying amount would have been £Nil (2018 - £Nil).

9 Property, plant and equipment

	Tenants improvements	Office equipment	Plant and machinery	Motor vehicles	Wind turbines	Total
Cost	£	£	£	£	£	£
At 1 July 2017	62,155	8,756	1,621,562	35,088	174,616	1,902,177
Additions	16,876	3,859	135,090	13,517	-	169,341
Disposals	-	-	(28,795)	(3,500)	-	(32,295)
At 30 June 2018	79,031	12,615	1,727,857	45,105	174,616	2,039,223
Additions	-	-	720	-	-	720
Disposals	(79,031)	(12,615)	(1,728,577)	(45,105)	(174,616)	(2,039,943)
At 30 June 2019	-	-	-	-	-	-
Accumulated depreciation						
At 1 July 2017	3,194	7,021	729,495	25,145	31,316	796,171
Charge for the year	4,002	1,224	151,452	5,986	6,985	169,649
Eliminated on disposal	-	-	(18,485)	(3,500)	-	(21,985)
At 30 June 2018	7,196	8,245	862,462	27,631	38,301	943,835
Charge for the year	-	546	38,793	1,092	3,492	43,923
Eliminated on disposal	(7,196)	(8,791)	(901,255)	(28,723)	(41,793)	(987,758)
At 30 June 2019	-	-	-	-	-	-
Carrying amount						
At 30 June 2019	-	-	-	-	-	-
At 30 June 2018	71,834	4,370	865,395	17,474	136,315	1,095,388
At 30 June 2017	58,960	1,734	892,066	9,942	143,300	1,106,002

The net carrying value of tangible fixed assets includes £0 (2018 - £158,347) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £0 (2018 - £37,671) for the year.

10 Inventories

	2019	2018
	£	£
Biological assets	-	439,800
Sundry non-biological stocks	-	14,409
	-	454,209

Biological assets are measured at fair value, less estimated point of sale cost, with any change therein recognised in profit or loss

Reconciliation of carrying amount:

	2019	2018
	£	£
Opening biological assets	439,800	239,627
Purchases to harvest	443,972	227,294
Fair value adjustment harvest	(207,088)	24,033
Less biological assets harvested	(676,683)	(490,954)
Purchases	-	243,110
Fair value crops movement	-	61,022
Balance carried forward	-	304,131
Sundry biological stocks at fair value:	-	135,669
Closing biological assets	-	439,800

Inventories contain biological assets which consist of £Nil relating to growing crops and £Nil relating to harvested biological stocks in store at the year-end.

The company did not have any growing crops at the yearend.

The entity does not have a specific financial risk management strategy but utilises forwards, futures and options in order to mitigate the risk of any major fluctuations in commodity prices between the balance sheet date and date of delivery. Any net gains or losses on the fair value position of these contracts at the year end has been recognised within the statement of comprehensive income.

11 Credit risk

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the company's maximum exposure to credit risk.

The company does not hold any collateral or other credit enhancements to cover this credit risk.

12 Trade and other receivables

	2019	2018
	£	£
Trade receivables	7,316	612,685
Other receivables	40,233	64,804
VAT recoverable	-	28,840
Amounts owed by fellow group undertakings	1,634,442	-
Prepayments	-	15,056
	1,681,991	721,385

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Trade receivables - credit risk

Fair value of trade receivables
The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

14 Fair value of financial liabilities

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

15 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting theė obligations associated with its financial obligations that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk management
Responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

16 Market risk

Crop prices

UK grain prices are largely determined by world prices and the dynamics of the global grain market. The company seeks to use its grain market analysis to optimise timing for crop price hedging. In addition the company seeks to optimise the premium it earns over the underlying commodity price through growing specific quality grains for local big brand customers. The company utilises the cash and futures markets to hedge its position. All trades are recapped by the outside broker to the executive management team. The group CEO reports the overall group "long" and "short" position on a daily basis as part of a daily grain market report to the executive management team. The executive management team monitor the company's exposure on an ongoing basis through a daily conference call and regular email discussion. The group Farming Director is responsible for arranging the premium contracts for specific quality grains.

Sensitivity analysis:

	2019	2018
	£	£
Turnover - 5% crop price movement		
Profit increase or decrease	-	18,965
Biological asset - 5% crop price movement		
Profit increase or decrease	-	22,710

The company ceased trading during the year therefore will no longer be exposed to these risks.

17 Fair value heirarchy

Fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows;

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The Company determines Level 2 fair values for biological assets using LIFFE (London International Financial Futures and Options Exchange) prices, crop yields based on company historical data and management expertise, and company historical and projected costs of production.

The Company determines Level 2 fair values for forward crop trades based on LIFFE prices and Chicago Board of Trade (CBOT) prices.

The Company determines Level 3 fair values for Basic Payment Scheme entitlements based on a valuation prepared by George F. White LLP (RICS certified). This value was determined on a best estimate on entitlement values and the changes to quantities since acquisition.

The fair value of all other financial instruments are deemed to be approximately reflected by their carrying value.

18 Trade and other payables

	2019	2018
	£	£
Trade payables	244,669	250,896
Payments received on account	-	37,587
Amount owed to parent undertaking	108,171	108,171
Amounts owed to fellow group undertakings	150,000	225,000
Accruals	-	35,445
Other payables	23,925	68,004
	526,765	725,103

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases varies per supplier. For most suppliers no interest is charged. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates to their fair value.

19 Obligations under finance leases

	Minimum lease payments		Present value	
	2019	2018	2019	2018
	£	£	£	£
Within one year	60,851	60,851	56,369	53,891
In two to five years	97,575	158,425	94,828	151,197
	158,426	219,276	151,197	205,088
Less: future finance charges	(7,229)	(14,188)	-	-
Lease liabilities in the financial statements	151,197	205,088	151,197	205,088

Finance lease obligations are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2019	2018
	£	£
Current liabilities	56,369	53,891
Non-current liabilities	94,828	151,197
	151,197	205,088

	2019	2018
Amounts recognised in profit or loss include the following:	£	£
Interest on lease liabilities	7,110	8,937

19 Obligations under finance leases **(Continued)**

The net obligations under finance leases and hire purchase contracts are secured against the assets to which they relate. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

During the year the company transferred all its assets to another group member but did not transfer the hire purchase liabilities attached to those assets. Instead it has agreed to continue to meet all liabilities as they fall due until such point as they are extinguished.

The fair value of the company's lease obligations is approximately equal to their carrying amount.

20 Borrowings

Secured borrowings at amortised cost		
Bank overdrafts	232,010	481,928

Analysis of borrowings
Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2019 £	2018 £
Current liabilities	232,010	481,928

The bank overdraft is secured by way of a floating charge over the company's assets, in conjunction with a fixed charge attached to 31.47 Ha of arable land provided by Greenshields Estates Limited.

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Accelerated Capital Allowances £
Deferred tax liability at 1 July 2017	100,437
Deferred tax movements in prior year	
Credit to profit or loss	6,688
Deferred tax liability at 1 July 2018	107,125
Deferred tax movements in current year	
Debit to profit or loss	(107,125)
Deferred tax liability at 30 June 2019	-

21 Deferred taxation (Continued)

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2019	2018
	£	£
Deferred tax liabilities	-	107,125

22 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £3,908 (2018 - £3,476).

23 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
40 Ordinary shares of £1 each	40	40

The company has one class of ordinary shares which carry no right to fixed income.

24 Revaluation reserve

	2019	2018
	£	£
At 1 July 2018	23,647	26,562
Disposals	(23,647)	(2,915)
At 30 June 2019	-	23,647

The balance on the revaluation reserve has arisen on the revaluation of Basic Payment Scheme entitlements. The movement on the reserve in the current year relates to a disposal of entitlements to a group member as per the breakdown of intangibles detailed in note 8.

25 Retained earnings

	2019	2018
	£	£
At the beginning of the year	752,083	727,575
Profit for the year	20,877	24,508
At the end of the year	772,960	752,083

26 Operating lease commitments

Leasee

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements are as follows:

	2019	2018
	£	£
Minimum lease payments under operating leases	26,508	128,019

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	-	45,848
Between two and five years	-	125,250
In over five years	-	46,250
	-	217,348

Leasor

The operating leases represent the letting of land to third parties. Rental income earned during the year was £Nil (2018 £14,318). There are no fixed terms for the leases. There are no options in place for either party to extend the lease terms.

27 Disposal of trade and assets

During the financial year the company's trade and assets were transferred to Greenshields Agri Limited, which is a fellow subsidiary of Greenshields Agri Holdings PLC. Following this transfer, the company has no active trade and has therefore become dormant.

28 Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance,

The capital structure of the company consists of debt, cash and cash equivalents and equity comprising share capital, reserves and retained earnings. The company reviews the capital structure annually and as part of this review considers that cost of capital and the risks associated with each class of capital.

The company is not subject to any externally imposed capital requirements.

29 Related party transactions

Other transactions with related parties

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

	Sale of goods		Purchase of goods	
	2019	2018	2019	2018
	£	£	£	£
Entities with joint control or significant influence over the company	864,397	347,554	257,108	313,957

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2019	2018
	£	£
Parent company	108,171	108,171
Entities with joint control or significant influence over the company	288,441	360,630
	396,612	468,801

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties	
	2019	2018
	Balance	Balance
	£	£
Entities with joint control or significant influence over the company	1,634,442	71,511

The borrowings of Haddington Farmers Limited are secured by a £75,000 guarantee provided by the company.

30 Controlling party

The company is wholly owned by Greenshields Agri Holdings plc, incorporated in the Isle of Man.

The Directors are of the opinion that there is no single ultimate controlling party due to the even distribution of voting rights amongst the shareholders with no shareholder having a controlling majority,

The Company is consolidated into the group accounts prepared by Greenshields Agri Holdings plc. This is the only group into which the entity is consolidated.

31 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	20,877	24,508
Adjustments for:		
Taxation (credited)/charged	(107,125)	6,688
Finance costs	19,238	21,646
(Gain)/loss on disposal of property, plant and equipment	(50)	5,896
Gain on disposal of intangibles	-	(8,861)
Depreciation and impairment of property, plant and equipment	43,922	169,649
Movements in working capital:		
Decrease/(increase) in inventories	454,209	(200,002)
Increase in trade and other receivables	(960,606)	(328,320)
(Decrease)/increase in trade and other payables	(198,338)	457,156
Cash (absorbed by)/generated from operations	(727,873)	148,360