

STRACATHRO ESTATES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2021
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UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2021

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STRACATHRO ESTATES LIMITED
BALANCE SHEET
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	3	9,893,163	9,310,781
		9,893,163	9,310,781
Current assets			
Stocks		891,360	656,903
Debtors	4	210,203	391,891
Cash at bank and in hand		546,785	684,299
		1,648,348	1,733,093
Creditors			
Amounts falling due within one year	5	(349,898)	(344,343)
		1,298,450	1,388,750
Net current assets		1,298,450	1,388,750
Total assets less current liabilities		11,191,613	10,699,531
Creditors			
Amounts falling due after more than one year	6	(45,000)	(45,000)
Provisions for liabilities	7, 8	(652,036)	(477,037)
		10,494,577	10,177,494
Net assets		10,494,577	10,177,494
Capital and reserves			
Called-up share capital	9	19,600	19,600
Share premium account		4,854,806	4,854,806
Capital redemption reserve		400	400
Profit and loss account		5,619,771	5,302,688
Total shareholders' funds		10,494,577	10,177,494

For the financial year ending 31 October 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Stracathro Estates Limited (registered number: SC129179) were approved and authorised for issue by the Director on 22 April 2022. They were signed on its behalf by:

STRACATHRO ESTATES LIMITED
BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2021

Hugh Campbell Adamson
Director

STRACATHRO ESTATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Stracathro Estates Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is Brae Of Pert, Laurencekirk, Kincardineshire, AB30 1QR, United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents the amounts received or receivable for goods and services in relation to farming sales including crop sales, rental income and income from renewable energy projects.

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.

The Basic Payment Scheme income is recognised once all conditions attached have been met.

Employee benefits

Short term benefits

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

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

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Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Land and buildings	not depreciated
Plant and machinery	10 years straight line
Vehicles	4 years straight line
Fixtures and fittings	3 - 10 years 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 credited or charged to profit or loss.

Leases

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

STRACATHRO ESTATES LIMITED
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Non-financial assets

At each balance sheet date, the company reviews 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). The recoverable amount of an asset is the higher of its fair value less costs to sell and its 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. 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. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

The company measures biological assets at cost less accumulated depreciation and accumulated impairment losses.

In respect of agricultural produce harvested from a biological asset, this is measured at the point of harvest at either;

- lower of cost and estimated selling price less costs to complete or sell; or
- fair value less costs to sell with any gain or loss arising on initial recognition of agricultural produce at fair value costs to sell being included in profit or loss

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price.

STRACATHRO ESTATES LIMITED
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Basic financial liabilities

Basic financial liabilities, including creditors and preference shares that are classified as debt, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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

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

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Government grants

Government grants are recognised based on the performance model and are measured at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received.

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

Ordinary share capital

The ordinary share capital of the Company is presented as equity.

2. Employees

	2021	2020
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	9	10

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3. Tangible assets

	Land and buildings	Plant and machinery	Vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 01 November 2020	6,446,607	4,147,234	135,286	43,473	10,772,600
Additions	560,806	571,997	2,000	0	1,134,803
Disposals	0	(232,850)	0	0	(232,850)
At 31 October 2021	7,007,413	4,486,381	137,286	43,473	11,674,553
Accumulated depreciation					
At 01 November 2020	67,297	1,268,376	89,690	36,456	1,461,819
Charge for the financial year	0	350,400	26,905	1,403	378,708
Disposals	0	(59,137)	0	0	(59,137)
At 31 October 2021	67,297	1,559,639	116,595	37,859	1,781,390
Net book value					
At 31 October 2021	6,940,116	2,926,742	20,691	5,614	9,893,163
At 31 October 2020	6,379,310	2,878,858	45,596	7,017	9,310,781

4. Debtors

	2021	2020
	£	£
Trade debtors	157,967	138,264
Other debtors	52,236	253,627
	210,203	391,891

5. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	0	16
Trade creditors	81,551	125,168
Other creditors	181,064	187,591
Corporation tax	79,896	23,000
Other taxation and social security	7,387	8,568
	349,898	344,343

The Company has granted a floating charge in favour of the Clydesdale Bank PLC, in respect of all present and future obligations and liabilities.

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

	2021	2020
	£	£
Other creditors	45,000	45,000

7. Provision for liabilities

	2021	2020
	£	£
Deferred tax	652,036	477,037

8. Deferred tax

	2021	2020
	£	£
At the beginning of financial year	(477,037)	(353,817)
Charged to the Statement of Income and Retained Earnings	(174,999)	(123,220)
At the end of financial year	(652,036)	(477,037)

9. Called-up share capital

	2021	2020
	£	£
Allotted, called-up and fully-paid		
19,600 Ordinary shares of £ 1.00 each	19,600	19,600

10. Related party transactions

Transactions with the entity's directors

	2021	2020
	£	£
Amounts owed to directors	4,461	0
Amounts owed by directors	0	206,855

During the year the total amount repaid by the directors was £245,000, a loan on which 3.50% interest was charged. Amounts advanced in the year were £42,606.

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