



Scott-Moncrieff
business advisers and accountants

KILCHOAN MANAGEMENT LIMITED

Company registration number SC516407

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

COMPANIES HOUSE
14 MAY 2018
EDINBURGH FRONT DESK



KILCHOAN MANAGEMENT LIMITED

COMPANY INFORMATION

Directors Jon Strickland (Chairman)
Nicolas Scott
Edward Pickard

Registered number SC516407

Registered office 5 Atholl Crescent
Edinburgh
EH3 8EJ

Accountants Scott-Moncrieff
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL

Bankers Hampden & Co. Bankers
9 Charlotte Square
Edinburgh
EH2 4DR

Solicitors Gillespie MacAndrew
5 Atholl Crescent
Edinburgh
EH3 8EJ

KILCHOAN MANAGEMENT LIMITED
REGISTERED NUMBER: SC516407

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	6	15,000	15,000
Tangible assets	7	508,947	163,851
		<u>523,947</u>	<u>178,851</u>
Current assets			
Stocks	8	45,730	45,080
Debtors: amounts falling due within one year	9	16,144	23,113
Cash at bank and in hand		142,446	165,743
		<u>204,320</u>	<u>233,936</u>
Creditors: amounts falling due within one year	10	(1,153,448)	(618,688)
Net current liabilities		<u>(949,128)</u>	<u>(384,752)</u>
Total assets less current liabilities		<u>(425,181)</u>	<u>(205,901)</u>
Net liabilities		<u>(425,181)</u>	<u>(205,901)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(425,182)	(205,902)
		<u>(425,181)</u>	<u>(205,901)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

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 FRS 102 Section 1A - small entities.

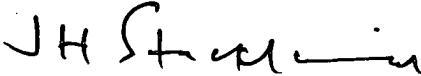
KILCHOAN MANAGEMENT LIMITED
REGISTERED NUMBER: SC516407

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2017

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Jon Strickland (Chairman)
Director

Date: 10/05/18

KILCHOAN MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

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 30 September 2017.

The continuing activities of Kilchoan Management Limited is the management of Kilchoan Estate and farm.

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 SC516407.

2. Accounting policies

2.1 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).

Before 1 October 2016 the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council, and referred to as 'previous UK GAAP'. Information on the impact of first-time adoption of FRS 102 is given in note 12. The date of transition is 1 October 2015.

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.

The following principal accounting policies have been applied:

2.2 Going concern

With the support of the directors via the directors loan account, the directors are of the opinion that the company can meet its obligations as they fall due for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2.3 Cash flow statements

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

KILCHOAN MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

KILCHOAN MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- No depreciation
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a

KILCHOAN MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.11 Financial instruments (continued)

rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.12 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.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2016 - 5).

4. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	61,500	40,500
	<u>61,500</u>	<u>40,500</u>

5. Taxation

Factors affecting tax charge for the year

As the company has made losses since it's incorporation there is no tax yet to pay.

Factors that may affect future tax charges

The company has tax losses of £593,299 to carry forward to future profits.

KILCHOAN MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

6. Intangible assets

	Single Farm Payment Entitlement £
Cost	
At 1 October 2016	15,000
At 30 September 2017	<u>15,000</u>
Net book value	
At 30 September 2017	<u>15,000</u>
At 30 September 2016	<u>15,000</u>

KILCHOAN MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

7. Tangible fixed assets

	Tenants' improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 October 2016	67,213	18,373	104,154	4,780	194,520
Additions	126,235	2,080	237,343	5,660	371,318
Disposals	(1,440)	-	-	-	(1,440)
At 30 September 2017	192,008	20,453	341,497	10,440	564,398
Depreciation					
At 1 October 2016	-	3,675	26,038	956	30,669
Charge for the year on owned assets	-	3,356	19,529	1,897	24,782
At 30 September 2017	-	7,031	45,567	2,853	55,451
Net book value					
At 30 September 2017	192,008	13,422	295,930	7,587	508,947
At 30 September 2016	67,213	14,699	78,115	3,824	163,851

8. Stocks

	2017 £	2016 £
Stock	45,730	45,080
	45,730	45,080

9. Debtors

	2017 £	2016 £
Other debtors	16,144	23,113
	16,144	23,113

KILCHOAN MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	1,850	1,769
Other creditors	1,145,323	610,769
Accruals and deferred income	6,275	6,150
	<u>1,153,448</u>	<u>618,688</u>

11. Related party transactions

During the year Nicolas Scott, director and owner of 100% of the share capital of the company, loaned the company £2,237,680 with the company incurring personal expenses on behalf of Mr Scott of £1,703,126. At the year end the company owed Mr Scott £1,145,323 (2016 : £610,769). The loan is included in other creditors and is interest free and repayable on demand.

During the year, Jon Strickland and Edward Pickard, directors of the company, charged fees of £37,500 (2016 : £22,500) and £24,000 (2016 : £18,000) respectively to the company for consultancy services.

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.