
RICHARD JOHNSTON LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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RICHARD JOHNSTON LIMITED

COMPANY INFORMATION

Directors	W D Johnston R I McIndoe
Registered number	01536383
Registered office	Harling Road Snetterton NR16 2JU
Independent auditors	MA Partners Audit LLP Chartered Accountants & Statutory Auditor 7 The Close Norwich Norfolk NR1 4DJ

RICHARD JOHNSTON LIMITED

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RICHARD JOHNSTON LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Business review

The Group is principally engaged in warehousing. The Group also operates a farming enterprise and an events business.

Principal risks and uncertainties

Business Risk

The Group is in a strong position, and is well placed to deal with the challenges of the current economic climate.

General business risk is mitigated by ensuring that the Group has a stable financial base with adequate reserves.

Competition within the industry and increasing wage costs are business risks to the industry as a whole, and the Group continues to control costs carefully and to increase productivity.

Credit Risk

The Group's principal credit risk relates to the recovery of amounts owed to trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and creditworthiness. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. Debts are chased when necessary.

Liquidity Risk


Current and projected working capital demands are reviewed in conjunction with existing cash balances to determine cash requirements as part of the routine reporting process.

Financial key performance indicators

The key financial performance indicators are Turnover and Operating Profit.

Turnover was £5,902,789, compared to £5,981,969 in 2020. Operating profit increased significantly from £306,773 to £38,107,862. This was mainly due to a revaluation gain on investments of £36,650,190 in the current year, compared with £77,872 in the prior year.

This report was approved by the board and signed on its behalf.



R I McIndoe
Director

Date: 23 September 2022

RICHARD JOHNSTON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Results and dividends

The profit for the year, after taxation, amounted to £37,821,116 (2020 - £195,259).

Dividends paid in the current year totalled £750,000 (2020 - £1,965,500).

Directors

The directors who served during the year were:

W D Johnston
R I McIndoe

Future developments

The Company continues to invest in its principal site at Snetterton.

RICHARD JOHNSTON LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

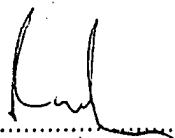
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, MA Partners Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
R I McIndoe
Director

Date: 23 September 2022

RICHARD JOHNSTON LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHARD JOHNSTON LIMITED

Opinion

We have audited the financial statements of Richard Johnston Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

RICHARD JOHNSTON LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHARD JOHNSTON LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group Strategic Report and the Directors' Report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

RICHARD JOHNSTON LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHARD JOHNSTON LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHARD JOHNSTON LIMITED
(CONTINUED)**

Auditors' 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 Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

RICHARD JOHNSTON LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHARD JOHNSTON LIMITED
(CONTINUED)

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 Auditors' 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.

C.S. Dugdale

Christopher Dugdale FCA (Senior Statutory Auditor)

for and on behalf of
MA Partners Audit LLP

Chartered Accountants
Statutory Auditor

7 The Close
Norwich
Norfolk
NR1 4DJ

Date: *23rd September 2022*

RICHARD JOHNSTON LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

Note	Continuing operations 2021 £	Discontin'd operations 2021 £	Total 2021 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total 2020 £
Turnover	1,945,123	3,957,666	5,902,789	1,524,176	4,457,793	5,981,969
Cost of sales	(842,993)	-	(842,993)	(949,072)	-	(949,072)
Gross profit	1,102,130	3,957,666	5,059,796	575,104	4,457,793	5,032,897
Distribution costs	(25,257)	-	(25,257)	(27,312)	-	(27,312)
Administrative expenses	(1,407,337)	(2,627,344)	(4,034,681)	(896,266)	(3,859,451)	(4,755,717)
Exceptional items 12	-	24,795	24,795	-	(350,615)	(350,615)
Other operating income	425,170	-	425,170	289,765	-	289,765
Revaluation of investments	36,650,190	-	36,650,190	77,872	-	77,872
Government grant income	7,849	-	7,849	39,883	-	39,883
Operating profit	36,752,745	1,355,117	38,107,862	59,046	247,727	306,773
Income from interests in associated undertakings	24,881	-	24,881	7,336	-	7,336
Total operating profit	36,777,626	1,355,117	38,132,743	66,382	247,727	314,109
Income from other fixed asset investments	(24,447)	30,118	5,671	(1,012)	7,860	6,848
Interest receivable and similar income	6,148	16	6,164	8,823	490	9,313
Interest payable and similar expenses 9	(108,700)	-	(108,700)	(38,261)	-	(38,261)
Profit before tax	36,650,627	1,385,251	38,035,878	35,932	256,077	292,009
Tax on profit 10	(214,762)	-	(214,762)	(96,750)	-	(96,750)
Profit for the financial year	36,435,865	1,385,251	37,821,116	(60,818)	256,077	195,259

RICHARD JOHNSTON LIMITED

**Profit for the
year
attributable
to:**

Owners of the
parent

37,821,116	-	37,821,116	195,259	-	195,259
<u>37,821,116</u>	<u>-</u>	<u>37,821,116</u>	<u>195,259</u>	<u>-</u>	<u>195,259</u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated profit and loss account.

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED
REGISTERED NUMBER: 01536383

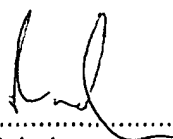
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	1,422,524	12,733,047
Investments	15	1,338,777	1,313,896
Investment property	16	50,822,695	1,672,070
		<u>53,583,996</u>	<u>15,719,013</u>
Current assets			
Stocks		68,625	12,359
Debtors: amounts falling due after more than one year	18	-	62,730
Debtors: amounts falling due within one year	18	1,817,126	2,134,245
Current asset investments		108,994	104,756
Cash at bank and in hand	19	4,448,179	4,035,925
		<u>6,442,924</u>	<u>6,350,015</u>
Creditors: amounts falling due within one year		<u>(5,804,429)</u>	<u>(4,787,293)</u>
Net current assets		638,495	1,562,722
Total assets less current liabilities		<u>54,222,491</u>	<u>17,281,735</u>
Provisions for liabilities			
Deferred tax	21	(7,291,717)	(459,346)
		<u>(7,291,717)</u>	<u>(459,346)</u>
Net assets		<u><u>46,930,774</u></u>	<u><u>16,822,389</u></u>
Capital and reserves			
Called up share capital	22	2,614	2,614
Capital redemption reserve	23	386	386
Fair value reserve	23	31,037,673	1,366,303
Profit and loss account	23	15,890,101	15,453,086
		<u><u>46,930,774</u></u>	<u><u>16,822,389</u></u>

RICHARD JOHNSTON LIMITED
REGISTERED NUMBER: 01536383

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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



.....
R I McIndoe
Director

Date: 23 September 2022

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED
REGISTERED NUMBER: 01536383

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021


	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	1,422,524	12,733,047
Investments	15	248,908	248,908
Investment property	16	50,822,695	1,672,070
		<u>52,494,127</u>	<u>14,654,025</u>
Current assets			
Stocks	17	68,625	12,359
Debtors: amounts falling due after more than one year	18	-	62,730
Debtors: amounts falling due within one year	18	1,817,126	2,134,245
Current asset investments		108,994	104,756
Cash at bank and in hand	19	4,448,179	4,035,925
		<u>6,442,924</u>	<u>6,350,015</u>
Creditors: amounts falling due within one year	20	(5,867,857)	(4,850,720)
Net current assets		<u>575,067</u>	<u>1,499,295</u>
Total assets less current liabilities		<u>53,069,194</u>	<u>16,153,320</u>
Provisions for liabilities			
Deferred taxation	21	(7,291,717)	(459,346)
		<u>(7,291,717)</u>	<u>(459,346)</u>
Net assets excluding pension asset		<u>45,777,477</u>	<u>15,693,974</u>
Net assets		<u><u>45,777,477</u></u>	<u><u>15,693,974</u></u>

RICHARD JOHNSTON LIMITED
REGISTERED NUMBER: 01536383

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

Note	31 December 2021 £	As restated 31 December 2020 £
Capital and reserves		
Called up share capital 22	2,614	2,614
Capital redemption reserve 23	386	386
Other reserves 23	30,254,838	571,617
Profit and loss account brought forward	15,119,356	16,775,847
Profit for the year	37,796,235	187,923
Other changes in the profit and loss account	(37,395,952)	(1,844,414)
	<u>15,519,639</u>	<u>15,119,357</u>
Profit and loss account carried forward	<u>45,777,477</u>	<u>15,693,974</u>

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



R I McIndoe
 Director

Date: 23 September 2022

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Capital redemption reserve £	Fair value reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2021	2,614	386	1,366,303	15,453,086	16,822,389	16,822,389
Comprehensive income for the year						
Profit for the year	-	-	-	37,821,116	37,821,116	37,821,116
Deferred tax on investment property revaluation	-	-	(6,962,731)	-	(6,962,731)	(6,962,731)
Total comprehensive income for the year	-	-	(6,962,731)	37,821,116	30,858,385	30,858,385
Dividends: Equity capital	-	-	-	(750,000)	(750,000)	(750,000)
Transfer to fair value reserve	-	-	36,634,101	(36,634,101)	-	-
Total transactions with owners	-	-	36,634,101	(37,384,101)	(750,000)	(750,000)
At 31 December 2021	2,614	386	31,037,673	15,890,101	46,930,774	46,930,774

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Capital redemption reserve £	Fair value reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2020	2,614	386	1,507,533	17,082,097	18,592,630	18,592,630
Comprehensive income for the year						
Profit for the year	-	-	-	195,259	195,259	195,259
Total comprehensive income for the year	-	-	-	195,259	195,259	195,259
Dividends: Equity capital	-	-	-	(1,965,500)	(1,965,500)	(1,965,500)
Transfer to fair value reserve	-	-	(141,230)	141,230	-	-
Total transactions with owners	-	-	(141,230)	(1,824,270)	(1,965,500)	(1,965,500)
At 31 December 2020	2,614	386	1,366,303	15,453,086	16,822,389	16,822,389

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	2,614	386	571,617	15,119,356	15,693,973
Comprehensive income for the year					
Profit for the year	-	-	-	37,796,235	37,796,235
Deferred tax on investment property revaluation	-	-	(6,962,731)	-	(6,962,731)
Total comprehensive income for the year	-	-	(6,962,731)	37,796,235	30,833,504
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(750,000)	(750,000)
Transfer to fair value reserve	-	-	36,645,952	(36,645,952)	-
Total transactions with owners	-	-	36,645,952	(37,395,952)	(750,000)
At 31 December 2021	2,614	386	30,254,838	15,519,639	45,777,477

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2020	2,614	386	692,703	16,775,847	17,471,550
Comprehensive income for the year					
Profit for the year	-	-	-	187,923	187,923
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	-	187,923	187,923
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(1,965,500)	(1,965,500)
Transfer to fair value reserve	-	-	(121,086)	121,086	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	(121,086)	(1,844,414)	(1,965,500)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	2,614	386	571,617	15,119,356	15,693,973

The notes on pages 22 to 39 form part of these financial statements.

RICHARD JOHNSTON LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	37,821,116	195,259
Adjustments for:		
Depreciation of tangible assets	670,517	677,396
Loss on disposal of tangible assets	(43,094)	2,075
Interest paid	108,700	38,261
Interest received	(5,671)	(6,848)
Taxation charge	214,762	96,750
(Increase)/decrease in stocks	(56,266)	60,671
Decrease/(increase) in debtors	379,849	(792,561)
Decrease in amounts owed by groups	-	63,429
Increase in creditors	743,303	2,862,425
Increase/(decrease) in amounts owed to groups	-	(63,429)
Net fair value (gains) recognised in P&L	(36,650,190)	(77,872)
Share of operating (loss) in associates	(24,881)	(7,336)
Corporation tax (paid)	(71,289)	(52,993)
Net cash generated from operating activities	3,086,856	2,995,227
Cash flows from investing activities		
Purchase of tangible fixed assets	(249,867)	(488,323)
Sale of tangible fixed assets	498,294	10,539
Purchase of investment properties	(2,070,000)	-
Dividends received	5,671	6,848
Net cash from investing activities	(1,815,902)	(470,936)
Cash flows from financing activities		
Dividends paid	(750,000)	(1,965,500)
Interest paid	(108,700)	(38,261)
Net cash used in financing activities	(858,700)	(2,003,761)
Net increase in cash and cash equivalents	412,254	520,530
Cash and cash equivalents at beginning of year	4,035,925	3,515,395
Cash and cash equivalents at the end of year	4,448,179	4,035,925

RICHARD JOHNSTON LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	4,448,179	4,035,925
	<u>4,448,179</u>	<u>4,035,925</u>

RICHARD JOHNSTON LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 £	Cash flows £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	4,035,925	412,254	-	4,448,179
Debt due within 1 year	(1,599,815)	54,156	-	(1,545,659)
Liquid investments	104,756	-	4,238	108,994
	<u>2,540,866</u>	<u>466,410</u>	<u>4,238</u>	<u>3,011,514</u>

The notes on pages 22 to 39 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

The entity is a private Company, limited by shares, incorporated in England and Wales. The registered office address of the Company is Harling Road, Snetterton, NR16 2JU.

The Company is principally engaged in warehousing and also operates a farming enterprise and an events business.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Profit and Loss Account includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.4 Revenue

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Income is recognised when goods have been supplied and services provided.

2.5 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	- 33 to 50 years
Plant and machinery	- 5 to 10 years
Motor vehicles	- 4 years
Office equipment	- 3 to 10 years

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 profit or loss.

2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.8 Valuation of investments

Investments in subsidiaries and associates is measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 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.

2.11 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.12 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 and loans to related parties.

2.13 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.

2.14 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.16 Operating leases: the Group as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2020 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge 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 other 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.18 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the assets and note 2.6 for the useful economic lives for each class of assets.

Investment property revaluations

The valuations have been made by the directors, on an open market value basis.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Sale of goods	192,308	355,336
Rendering of services	5,710,481	5,626,633
	<u>5,902,789</u>	<u>5,981,969</u>

5. Auditors' remuneration

Fees payable to the Group's auditor and its associates in respect of:

Audit-related assurance services	11,175	10,850
All other services	7,804	7,773
	<u>18,979</u>	<u>18,623</u>

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	1,791,862	2,433,242	1,791,862	2,433,242
Social security costs	75,956	97,804	75,956	97,804
Cost of defined contribution scheme	31,745	24,845	31,745	24,845
	<u>1,899,563</u>	<u>2,555,891</u>	<u>1,899,563</u>	<u>2,555,891</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Employees	<u>69</u>	<u>94</u>

7. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	123,356	127,629
Group contributions to defined contribution pension schemes	23,600	44,000
	<u>146,956</u>	<u>171,629</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

The directors are the key management in the period.

8. Income from investments

	2021 £	2020 £
Dividends received from unlisted investments	5,671	6,848
	<u>5,671</u>	<u>6,848</u>

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	108,700	38,261
	<u>108,700</u>	<u>38,261</u>

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	345,122	71,250
	<u>345,122</u>	<u>71,250</u>
Total current tax	<u>345,122</u>	<u>71,250</u>
Deferred tax		
Origination and reversal of timing differences	(130,360)	25,500
Total deferred tax	<u>(130,360)</u>	<u>25,500</u>
Taxation on profit on ordinary activities	<u>214,762</u>	<u>96,750</u>

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	38,035,878	292,009
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	7,222,089	55,482
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,886	43,963
Capital allowances for year in excess of depreciation	(54,405)	-
Other timing differences leading to an increase (decrease) in taxation	-	(1,394)
Dividends from UK companies	(1,077)	(1,301)
Deferred tax on revaluation of investment property recognised in OCI	(6,962,731)	-
Total tax charge for the year	214,762	96,750

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	2021 £	2020 £
Paid on Ordinary Shares	750,000	1,965,500
	750,000	1,965,500

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Exceptional items

	2021 £	2020 £
Exceptional item	-	350,615
Profit on sale of Johnston Logistics UK	(24,795)	-
	<u>(24,795)</u>	<u>350,615</u>

On 13 November 2021, Richard Johnston Limited sold part of the business and assets of the company, known as Johnston Logistics UK to a third party.

During 2019 the company suffered an instance of theft. The exceptional expense in 2020 reflects the balance of the company's liability for the lost goods and HMRC excise duty.

13. Intangible assets

Group and Company

	Patents £
Cost	
At 1 January 2021	10,224
At 31 December 2021	<u>10,224</u>
Amortisation	
At 1 January 2021	10,224
At 31 December 2021	<u>10,224</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Tangible fixed assets

Group and Company

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Assets in the course of construction £	Total £
Cost or valuation						
At 1 January 2021	13,538,510	5,006,057	103,459	367,396	150,983	19,166,405
Additions	15,119	147,476	-	6,409	80,863	249,867
Disposals	-	(1,278,653)	(28,584)	(84,766)	-	(1,392,003)
Transfers between classes	(13,553,629)	235,260	-	-	(74,720)	(13,393,089)
At 31 December 2021	-	4,110,140	74,875	289,039	157,126	4,631,180
Depreciation						
At 1 January 2021	2,723,733	3,408,352	52,496	248,777	-	6,433,358
Charge for the year on owned assets	268,012	361,825	13,679	27,001	-	670,517
Disposals	-	(881,896)	(11,314)	(43,593)	-	(936,803)
Transfers between classes	(2,991,745)	33,329	-	-	-	(2,958,416)
At 31 December 2021	-	2,921,610	54,861	232,185	-	3,208,656
Net book value						
At 31 December 2021	-	1,188,530	20,014	56,854	157,126	1,422,524
At 31 December 2020	10,814,777	1,597,705	50,963	118,619	150,983	12,733,047

RICHARD JOHNSTON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Tangible fixed assets (continued)

15. Fixed asset investments

Group

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2021	1,109,992	203,904	1,313,896
Share of profit/(loss)	24,881	-	24,881
At 31 December 2021	<u>1,134,873</u>	<u>203,904</u>	<u>1,338,777</u>

Company

	Investments in subsidiary companies £	Investments in associates £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2021	45,001	3	203,904	248,908
At 31 December 2021	<u>45,001</u>	<u>3</u>	<u>203,904</u>	<u>248,908</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Norfolk Malt Silos	Dormant	Ordinary	50%

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
Norfolk Malt Silos	63,429	-

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Investment property

Group and Company

	Freehold investment property £
Valuation	
At 1 January 2021	1,672,070
Additions at cost	2,070,000
Surplus on revaluation	36,645,952
Transfers between classes	10,434,673
At 31 December 2021	50,822,695

On 13 November 2021 the company sold part of the business, Johnston Logistics UK, to a third party. At this date Richard Johnston Limited became an Investment Property company and all freehold property was transferred to investment property at its carrying value before being revalued to fair value at the reporting date. Changes in fair value are recognised in the profit and loss account.

The 2021 valuations were made by the directors, based on an external valuation by Gerard Smith MRICS FAAV REV of Lacy Scott & Knight Chartered Surveyors on 12 April 2022, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	13,440,903	936,230
Accumulated depreciation and impairments	(157,643)	(143,532)
	13,283,260	792,698

17. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Raw materials and consumables	68,625	12,359	68,625	12,359
	68,625	12,359	68,625	12,359

The difference between purchase price or production cost of stocks and their replacement cost is not material.

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Other debtors	-	62,730	-	62,730
	<u>-</u>	<u>62,730</u>	<u>-</u>	<u>62,730</u>
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	1,112,189	1,626,333	1,112,189	1,626,333
Other debtors	462,222	5,854	462,222	5,854
Prepayments and accrued income	242,715	502,058	242,715	502,058
	<u>1,817,126</u>	<u>2,134,245</u>	<u>1,817,126</u>	<u>2,134,245</u>

19. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	4,448,179	4,035,925	4,448,179	4,035,925
	<u>4,448,179</u>	<u>4,035,925</u>	<u>4,448,179</u>	<u>4,035,925</u>

Included within Cash at bank and in hand is a balance of **£48,000** (2020: £48,000) which is held in trust by Barclays Security Trustee Limited in respect of an HMRC Duty Deferment guarantee.

RICHARD JOHNSTON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	122,012	347,290	122,012	347,290
Amounts owed to group undertakings	-	-	63,429	63,429
Corporation tax	344,499	70,666	344,499	70,666
Other taxation and social security	198,700	366,014	198,700	366,014
Other creditors	4,181,007	2,969,797	4,181,006	2,969,795
Accruals and deferred income	958,211	1,033,526	958,211	1,033,526
	<u>5,804,429</u>	<u>4,787,293</u>	<u>5,867,857</u>	<u>4,850,720</u>

21. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	(459,346)	(433,846)
Charged to profit or loss	130,360	(25,500)
Charged to other comprehensive income	(6,962,731)	-
At end of year	<u>(7,291,717)</u>	<u>(459,346)</u>

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Deferred taxation (continued)

Company

	2021 £	2020 £
At beginning of year	(459,346)	(433,846)
Charged to profit or loss	130,360	(25,500)
Charged to other comprehensive income	(6,962,731)	-
At end of year	(7,291,717)	(459,346)

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(225,743)	(357,051)	(225,743)	(357,051)
Revaluations	(7,065,974)	(102,295)	(7,065,974)	(102,295)
	(7,291,717)	(459,346)	(7,291,717)	(459,346)

22. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1,738 (2020 - 1,738) 'A' Ordinary shares of £1.00 each	1,738	1,738
131 (2020 - 615) 'B' Ordinary shares of £1.00 each	131	615
87 (2020 - 87) 'C' Ordinary shares of £1.00 each	87	87
87 (2020 - 87) 'D' Ordinary shares of £1.00 each	87	87
87 (2020 - 87) 'E' Ordinary shares of £1.00 each	87	87
484 (2020 -) 'F' Ordinary shares of £1.00 each	484	-
	2,614	2,614

RICHARD JOHNSTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

23. Reserves

Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased by the company.

Fair value reserve

The fair value reserve represents the cumulative value of revaluations of listed investments and investment property to fair value, net of deferred tax. The amounts debited or credited to this reserve are transfers from the profit and loss account. Deferred tax is provided for on these fair value adjustments at the standard rate of corporation tax.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

24. Discontinued operations

On 13 November 2021 Richard Johnston Limited sold part of the business and assets of the company, known as Johnston Logistics UK to a third a party.

	£
Cash proceeds	438,375
	<hr/>
	438,375
Net assets disposed of:	
Tangible fixed assets	(413,581)
	<hr/>
	413,581
	<hr/>
Profit on disposal before tax	(24,794)
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The net inflow of cash in respect of the sale of Johnston Logistics UK is as follows:

	£
Cash consideration	438,375
Arrangement fee	15,000
	<hr/>
Net inflow of cash	453,375
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25. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to **£31,745 (2020 - £24,845)**.

RICHARD JOHNSTON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

26. Receipts under operating leases

At 31 December 2021 the Group had future minimum lease receipts due under non-cancellable operating leases for each of the following periods:

Group	2021 £	2020 £
Not later than 1 year	1,813,045	881,400
Later than 1 year and not later than 5 years	4,540,483	963,450
Later than 5 years	839,167	-
	<u>7,192,695</u>	<u>1,844,850</u>

27. Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard 102 Section 33.1a and has therefore not disclosed transactions between wholly owned members of the same group.

During the year Richard Johnston Limited was charged **£14,371** (2020: £10,945) by an associate undertaking in respect of reservoir costs, and was charged **£1,500** (2020: £1,500) in respect of management fees. During the year the company charged **£2,205** (2020: £4,160) to this associate in respect of admin charges. At the balance sheet date, the net balance owed to Richard Johnston Limited was **£2,646** (2020: £2,520).

As at 31 December 2021, an associate undertaking owed Richard Johnston Limited **£5,857** (2020: £5,857) on a loan account. No interest is charged on this loan.

At 31 December 2021, Richard Johnston Limited owed balances to directors totalling **£1,545,659** (2020: £1,599,815). During the year dividends of **£Nil** (2020: £1,615,500) were paid to a director. Interest is payable on this account at a rate of **7%** per annum (2020: 7%). During the year ended 31 December 2021, Richard Johnston Limited paid gross interest of **£105,796** (2020: £38,261) on this loan account.

During the year dividends of **£750,000** (2020: £350,000) were paid to trusts in which a director and close family members of a director are Trustees. At the balance sheet date, the net balance owed by Richard Johnston Limited was **£600,000** (2020: £Nil).

28. Controlling party

The Company is ultimately controlled by the trustees of The R B Johnston Deceased Will Trust.