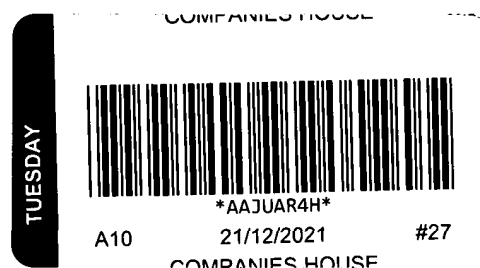


Company Registration No. 09885883 (England and Wales)

**AMBER REAL ESTATE INVESTMENTS
(AGRICULTURE) LIMITED**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
3 JANUARY 2021**



AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

COMPANY INFORMATION

Directors	R S Boparan R J Rafferty A S Haveron
Company number	09885883
Registered office	2nd Floor Colmore Court 9 Colmore Row Birmingham B3 2BJ
Auditor	Grant Thornton UK LLP The Colmore Building 20 Colmore Circus Birmingham B4 6AT

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 3 JANUARY 2021

The directors present their Strategic Report for the year ended 3 January 2021. (The prior year was 52 weeks ending 29 December 2019).

Throughout the Financial Statements, reference to the year ended 3 January 2021 represents 53 weeks of trading for the company.

Business review

The Company's principal activity is the leasing of agricultural property assets.

The key financial performance indicators are turnover and operating profit. For the year ended 3 January 2021, turnover was £40,458,000 (period ended 29 December 2019: £39,860,000) and operating profit was £29,871,000 (period ended 29 December 2019: £34,708,000).

A revaluation of the agricultural estate took place in the period and this had led to an overall decrease in valuation by £1,922,000 (increase in valuation over the entire estate in 2019: £2,790,000).

The Company recognises the uncertainties in the present economic and environmental climates with Brexit and the COVID-19 pandemic. The nationwide lockdowns have focussed all UK businesses away from non-essential operations. Throughout the pandemic, the Company continues its principal activity of leasing without disruption in any part of the estate nor in our tenant's ability to pay their ongoing obligations.

The Company maintains a positive financial outlook, supported by the continued growth in the poultry market to which the agricultural assets are underpinned to. The Directors have assessed the current difficulties in the macro-economic climate and do not believe this will increase the going concern risk for the business.

Principal risks and uncertainties

Strategic risks

The main strategic risks would arise from market conditions, if the trend of increasing demand for poultry reversed and the subsequent demand for growing space was reduced. This is considered as minimal as currently there is an overall insufficient supply of UK grown poultry to meet consumer demands.

Brexit has not had any material impact on the business, with the Great Britain supply chain for poultry not being impacted during 2020. The only current risks, which the Directors feel are only short term, is the lack of labour in the food processing sector and haulage drivers. At the time of signing, these risks had not had any material impact on the business or tenants; the Directors will continue to monitor and assess this situation.

Operational risks

The Company faces risks common to owners of agricultural property such as loss of facility, health, safety and environmental risks.

The Company monitors any legislative changes and works with our tenants to ensure we have an annual plan in place to deal with any impact, this programme is active and is monitored on a monthly basis.

Health, safety and environmental risks are regularly reviewed and prioritised, with work streams established to minimise the risk to people, equipment and property. Immediate and future risks to the business include regulation changes, age and quality of parts of the portfolio and changes in the footprint of the supply chain which the properties serve.

The agricultural asset portfolio continues to be operated normally by the Company's tenants as poultry protein remains a necessity for consumers.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

Principal risks and uncertainties (continued)

Financial risks

The Company operates within a framework of weekly reporting which covers weekly performance measures. A set of monthly management accounts is also produced and reviewed by the Board.

The Company monitors cash flow as part of its day to day control procedures.

The Company is funded by a bank loan which has covenants attached and is monitored on a quarterly basis. On 1 July 2021, the £100m facility was extended by 3 years, with a maturity date now on July 2024. There is an opportunity to extend this facility by a further year, at both the 1st and 2nd anniversary dates of the facility. This extension would have to be agreed by the lenders, but if fully extended, would push the maturity to July 2026.

Future developments

To support the growth in the poultry market throughout the UK, it is expected that the company will continue to invest in the infrastructure of the poultry supply chain.

At the statement of financial position date, the company had a secure rent roll which will support this strategy.

Promoting the success of the company

The directors confirm that during the period under review, it has acted fairly between members of the Company to promote the long term success of the Company for the benefit of all shareholders, whilst having regard to the matters set out in section 172(1)(a)-(f) of the Companies Act 2006 in the decisions taken during the period ended 3 January 2021, further detail of which is set out below.

Why we engage	How we engage	What matters most to our stakeholders	How we respond
Our customers			
Our purpose is to deliver high quality infrastructure to all of our tenants, who are a crucial part to the poultry supply chain.	We work closely with our tenants and the end customers to understand the specifications of their product range and capabilities, and that we can meet their requirements to maintain continuity of supply. All of our initiatives focus on clear communication.	Our tenants and end customers seek the appropriate infrastructure in place to supply the volumes required but not compromise on animal welfare.	We are always there for our tenants, with effective estate management, regular contact and communication from the commercial team. We monitor the state of our farming estate closely.
Our contractors			
We let contractors know both our requirements and the standards expected, so that they meet our expectations. Without contractor partnerships we cannot ensure high quality infrastructure to provide to our tenants and the wider UK poultry supply chain.	Our commercial team works directly with contractor, appropriately scoping out projects of work, and managing the workflow to ensure a seamless delivery. There is constant, ongoing communication with our contractors.	Healthy sustainable relationship, credit worthiness, financial stability to meet our commitments and adherence to both anti-bribery and anti-modern slavery laws.	We work closely to provide feedback on delivery performance and quality of works performed/service. Contractors are benchmarked and there is a regular tendering process.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**STRATEGIC REPORT (CONTINUED)****FOR THE YEAR ENDED 3 JANUARY 2021**

Why we engage	How we engage	What matters most to our stakeholders	How we respond
Lenders			
We engage to keep our lenders informed with our business and investment plans and the wider UK Poultry implications on our business and estate.	We discuss at least quarterly with our lenders of the performance in the business alongside the progress of any plans that have undertaken thus far.	High quality infrastructure and that due care and maintenance is provided to the estate. The Wider UK Poultry supply chain and its implications on the use of our estate.	Our periodic meetings will communicate any key updates to our lenders.
Our communities and the environment			
We take our responsibilities to the local community seriously. We acknowledge the responsibility we have to protect the environment and to minimise the environmental impact of our activities.	Our businesses have regular meetings with local councils officers. Sustainability research is done on what the most recent technologies are in farming and agriculture.	That we are a responsible business that respects our neighbours, local community and the wider environment.	We continue to update our understanding of the newest innovative technologies that help to reduce our carbon footprint.

By order of the board

*Rob Rafferty*R J Rafferty
Director

17/12/2021

Date:

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 3 JANUARY 2021

The directors present their report and the financial statements for the 53 week year ended 3 January 2021.

The 2019 comparative presents a 52 week year ended 29 December 2019. This report should be read in conjunction with the strategic report. Key information relating to the business noted in the strategic report has not been repeated in the directors' report.

Principal activities

The principal activity of the company is that of leasing of agricultural property assets.

Results and dividends

The results for the year are set out on page 11.

Directors

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

R S Boparan

R J Rafferty

A S Haveron

Qualifying third party indemnity provisions

The company has provided qualifying indemnity provisions in respect of the board of directors which were in force during the year and at the date of this report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and Grant Thornton UK LLP will therefore continue in office.

Energy and carbon reporting

From April 2019, Streamlined Energy and Carbon Reporting (SECR) came into effect and is a new mandatory energy and carbon reporting scheme for larger companies within the United Kingdom. Amber Real Estate Investments (Agriculture) Limited meets the definition of a 'large' company and therefore should apply the new guidelines. However, at 3 January 2021 the company has taken the exemption from disclosure as a result of being a subsidiary undertaking whereby the energy and carbon reporting information is included within the consolidated report of its parent undertaking Amber REI Holdings Limited.

Strategic report

The company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments and principal risks and uncertainties.

Information in the Strategic Report describes how the Directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duty where relevant.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

Statement of disclosure to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Rob Rafferty

.....
R J Rafferty
Director

17/12/2021

Date:

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 3 JANUARY 2021

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

Opinion

We have audited the financial statements of Amber Real Estate Investments (Agriculture) Limited (the 'company') for the year ended 3 January 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 3 January 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED (CONTINUED)

Opinions 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 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.

Matters on which we are required to report by exception

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, 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 set out on page 6, 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: <https://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the company operates.
- We understood how the company is complying with relevant legal and regulatory frameworks by making enquiries of management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED (CONTINUED)

- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, environmental, and bribery and corruption practices.
- We assessed the susceptibility of the company financial statements to material misstatement, including how fraud might occur by meeting with management from different parts of the business to understand where it is considered there was a susceptibility of fraud. We also considered performance targets and their propensity to influence efforts made by management to manage earnings. We considered the programs and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programs and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Our audit procedures involved journal entry testing, with a focus on journals indicating large or unusual transactions based on our understanding of the business and enquiries of management. In addition, we completed audit procedures to conclude on the compliance of disclosures in the Report and Financial Statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the company including:
 - the provisions of the applicable legislation
 - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules
 - the applicable statutory provisions
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the company's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the applicable statutory provisions
- The company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, including the adequacy of the training to inform staff of the relevant legislation, rules and other regulations of the regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the company's compliance with regulatory requirements and procedures to ensure that possible breaches of requirements are appropriately investigated and reported.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) 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 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.

Grant Thornton UK LLP

Rebecca Eagle (Senior Statutory Auditor)
For and on behalf of Grant Thornton UK LLP, Statutory Auditor
Chartered Accountants
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

.....
17/12/2021

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 3 JANUARY 2021**

		3 January 2021 £000	29 December 2019 £000
	Notes		
Turnover	3	40,458	39,860
Cost of sales		(8,150)	(9,052)
Gross profit		32,308	30,808
Administrative expenses		(758)	(775)
Other operating income		59	93
Revaluation of investment properties		(1,922)	2,790
Profit on sale of investment properties		184	1,792
Operating profit	5	29,871	34,708
Interest receivable and similar income	6	17	45
Interest payable and similar expenses	7	(2,893)	(3,307)
Profit before taxation		26,995	31,446
Tax on profit	8	(6,354)	(6,375)
Profit for the financial year		20,641	25,071

There was no other comprehensive income during the period.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 3 JANUARY 2021**

		3 January 2021		29 December 2019	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	9		44		50
Investment properties	10		232,326		233,645
			<u>232,370</u>		<u>233,695</u>
Current assets					
Debtors	11	2,450		24,573	
Cash at bank and in hand		13,877		7,677	
		<u>16,327</u>		<u>32,250</u>	
Creditors: amounts falling due within one year	12	(24,833)		(64,011)	
Net current liabilities			(8,506)		(31,761)
Total assets less current liabilities			223,864		201,934
Creditors: amounts falling due after more than one year	13		(100,000)		(99,661)
Provisions for liabilities	15		(6,724)		(5,774)
Net assets			<u>117,140</u>		<u>96,499</u>
Capital and reserves					
Called up share capital	17		-		-
Profit and loss reserves	18		117,140		96,499
Total equity			<u>117,140</u>		<u>96,499</u>

The financial statements were approved by the board of directors and authorised for issue on 17/12/2021
and are signed on its behalf by:

Rob Rafferty

.....
R J Rafferty
Director

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 3 JANUARY 2021**

	Share capital	Profit and loss reserves	Total
	£000	£000	£000
Balance at 31 December 2018	-	71,428	71,428
Year ended 29 December 2019:			
Profit and total comprehensive income for the year	-	25,071	25,071
Balance at 29 December 2019	-	96,499	96,499
Year ended 3 January 2021:			
Profit and total comprehensive income for the year	-	20,641	20,641
Balance at 3 January 2021	-	117,140	117,140

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 3 JANUARY 2021

1 Accounting policies

Company information

Amber Real Estate Investments (Agriculture) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 2nd Floor Colmore Court, 9 Colmore Row, Birmingham, B3 2BJ.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel and as a wholly owned subsidiary of Amber REI Holdings Limited the company is exempt from the requirement to disclose transactions with other wholly owned members of the group headed by Amber REI Holdings Limited as 100% of voting rights are controlled within the group.

The financial statements of the company are consolidated in the financial statements of Amber REI Holdings Limited. These consolidated financial statements are available from its registered office, 2nd Floor Colmore Court, 9 Colmore Row, Birmingham, B3 2BJ.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

1 Accounting policies (Continued)

Going concern

After making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In reaching this decision the directors have considered latest forecasts, covenant calculations and contractual agreements. These demonstrate that the company has sufficient financial facilities available to continue to trade as a going concern.

In making the going concern assessment the Directors have made a consideration of the potential impact of Covid-19 pandemic on the cash flows and liquidity of the Company over the next 12 month period. Current rental income is not expected to reduce due to Covid-19 pressures. The current leases in place provide certainty over the future expected cashflows generated by the estate.

Covid-19 will therefore have little to negligible impact on the Company being able to satisfy its bank covenants and maintain adequate liquidity over the next 12 months. More specifically future rental income can cover all recurring expenditure of the business.

The Company is in a net current liability position, but this is only the case with amounts owed by group undertakings included.

Turnover

Turnover represents rentals under operating lease income from the investment properties located in the United Kingdom. Income is credited to the profit and loss account on a straight line basis over the period of the lease, even if the payments are not made on such basis and is exclusive of value added tax.

The company provides low cost electricity through various green energy initiatives situated on our estate to our tenants. Income is recognised in line with the distribution of electricity.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Plant and equipment	4 - 20 years straight line basis
---------------------	----------------------------------

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.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, and subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

1 Accounting policies (Continued)

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

1 Accounting policies (Continued)

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including other creditors, bank loans and amounts due to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Derecognition of financial liabilities

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

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefit), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Investment property valuation

In determining the valuation for property assets, an independent valuation is conducted by external valuation specialists. The company is required to apply judgements and estimates over the effects of the current retail yields coupled with market conditions and the quality of the specific property.

Benchmarks from other properties either within the local area in the portfolio of the group or similar assets on the market will also be reviewed in determining a reasonable fair value.

Where external valuations have not been performed, the Directors have made assessments over the value of the estate as at 3 January 2021 through reviewing the historical valuations in place for their relevance in the current year.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

3 Turnover and other revenue

	3 January 2021 £000	29 December 2019 £000
Turnover analysed by class of business		
Rental income	37,002	36,414
Green energy income	3,456	3,446
	<u>40,458</u>	<u>39,860</u>

4 Employees

The company has no employees other than the directors, who did not receive any remuneration from the company.

The directors are remunerated by the parent company. Group employees are recharged as an administrative expense to the company.

5 Operating profit

	3 January 2021 £000	29 December 2019 £000
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	38	20
Depreciation of owned tangible fixed assets	6	6
	<u>44</u>	<u>26</u>

6 Interest receivable and similar income

	3 January 2021 £000	29 December 2019 £000
Interest income		
Interest on bank deposits	17	45
	<u>17</u>	<u>45</u>

7 Interest payable and similar expenses

	3 January 2021 £000	29 December 2019 £000
Interest on bank overdrafts and loans	2,893	3,307
	<u>2,893</u>	<u>3,307</u>

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 3 JANUARY 2021****8 Taxation**

	3 January 2021 £000	29 December 2019 £000
Current tax		
UK corporation tax on profits for the current period	5,341	5,267
Adjustments in respect of prior periods	(41)	(13)
Group tax relief	104	-
Total current tax	5,404	5,254
Deferred tax		
Origination and reversal of timing differences	264	1,071
Changes in tax rates	680	-
Adjustment in respect of prior periods	6	50
Total deferred tax	950	1,121
Total tax charge	6,354	6,375

The main rate of corporation tax remained at 19% following an announcement on 11 March 2020. The company has therefore measured its UK deferred tax assets and liabilities at the end of the reporting period at 19%.

Following the enactment of the Finance Act 2020, the rate of corporation tax will remain at 19% for 2021/2022 and 2022/2023. The Finance Bill 2021 proposes that from April 2023, the rate of corporation tax will increase to 25% for profits over £250,000.

The total tax charge for the year included in the statement of comprehensive income can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	3 January 2021 £000	29 December 2019 £000
Profit before taxation	26,995	31,446
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (29 December 2019: 19.00%)	5,129	5,975
Tax effect of expenses that are not deductible in determining taxable profit	136	149
Adjustments in respect of prior years	(35)	37
Adjust deferred tax to average rate	680	(126)
Net income not taxable in determining taxable profits	402	541
Fixed asset differences	98	(201)
Transfer pricing adjustments	(56)	-
Taxation charge for the year	6,354	6,375

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

9 Tangible fixed assets

	Plant and equipment £000
Cost	
At 30 December 2019 and 3 January 2021	60
Depreciation and impairment	
At 30 December 2019	10
Depreciation charged in the year	6
At 3 January 2021	16
Carrying amount	
At 3 January 2021	44
At 29 December 2019	50

10 Investment property

	3 January 2021 £000
Fair value	
At 30 December 2019	233,645
Additions	2,790
Disposals	(2,187)
Net gains or losses through fair value adjustments	(1,922)
At 3 January 2021	232,326

Investment property comprises freehold land and buildings. The fair value adjustments of the investment property has been arrived at on the basis of a joint valuation carried out at January 2021 and May 2021 by Savills Plc and Bidwells LLP Chartered Surveyors, who are not connected with the company. The valuation was made on a vacant possession basis.

Where external valuations have not been performed, the Directors have made assessments over the value of the estate as at 3 January 2021.

If land and buildings were stated on a historical cost basis rather than a fair value basis, the carrying amount that would have been included at the year ended 3 January 2021 is £210,862,183 (year ended 29 December 2019: £209,346,206).

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

11 Debtors

	3 January 2021 £000	29 December 2019 £000
Amounts falling due within one year:		
Amounts owed by group undertakings	-	22,488
Other debtors	1,435	1,337
Prepayments and accrued income	1,015	748
	<u>2,450</u>	<u>24,573</u>

Amounts owed by group undertakings are payable upon demand. No interest is charged on the balance.

12 Creditors: amounts falling due within one year

	3 January 2021 £000	29 December 2019 £000
Trade creditors	18	349
Amounts owed to group undertakings	19,016	55,280
Corporation tax	508	2,848
Other taxation and social security	358	505
Other creditors	363	502
Accruals and deferred income	4,570	4,527
	<u>24,833</u>	<u>64,011</u>

Amounts owed by group undertakings are payable upon demand. No interest is charged on the balance.

13 Creditors: amounts falling due after more than one year

		3 January 2021 £000	29 December 2019 £000
	Notes		
Bank loans and overdrafts	14	<u>100,000</u>	<u>99,661</u>

14 Borrowings

	3 January 2021 £000	29 December 2019 £000
Bank loans	<u>100,000</u>	<u>99,661</u>
Payable after one year	<u>100,000</u>	<u>99,661</u>

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

14 Borrowings (Continued)

The bank loan of £100,000,000 is secured by a fixed charge over certain of the company's investment properties.

Bank loans are stated net of debt issue costs for the year ended 3 January 2021 of £nil (year ended 29 December 2019: £339,000).

Details of principal terms of bank loans not wholly repayable within one year are as follows:

- i. 2.25% above LIBOR per annum fixed term facilities of £100,000,000 repayable in July 2024.

At the statement of financial position date, the £100,000,000 bank loan was due for repayment in July 2024.

15 Provisions for liabilities

	Notes	3 January 2021 £000	29 December 2019 £000
Deferred tax liabilities	16	6,724	5,774

16 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 3 January 2021 £000	Liabilities 29 December 2019 £000
Balances:		
Fixed asset timing differences	6,724	5,774
Movements in the year:		3 January 2021 £000
Liability at 30 December 2019		5,774
Charge to profit or loss		950
Liability at 3 January 2021		6,724

The deferred tax liability set out above is expected to reverse on disposal of investment property.

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 3 JANUARY 2021

17 Share capital

	3 January 2021 Number	29 December 2019 Number	3 January 2021 £000	29 December 2019 £000
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	100	100	-	-

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

18 Reserves

Profit and loss reserves

Profit and loss reserve comprise of cumulative profit and loss net of distributions to owners.

19 Operating lease commitments

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	3 January 2021 £000	29 December 2019 £000
Within one year	38,858	37,290
Between one and five years	54,451	92,995
In over five years	-	607
	<u>93,309</u>	<u>130,892</u>

20 Related party transactions

Transactions with related parties

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

	Invoiced to		Invoiced from	
	3 January 2021 £000	29 December 2019 £000	3 January 2021 £000	29 December 2019 £000
Companies in which a shareholder and director has control	12	-	-	-
Companies in which a shareholder and director has joint control	49,863	48,400	368	1,747

AMBER REAL ESTATE INVESTMENTS (AGRICULTURE) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 3 JANUARY 2021****20 Related party transactions (Continued)**

The following amounts were outstanding at the reporting end date:

	3 January 2021 £000	29 December 2019 £000
Amounts due to related parties		
Companies in which a shareholder and director has joint control	7	-
	<u>7</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

	3 January 2021 £000	29 December 2019 £000
Amounts due from related parties		
Companies in which a shareholder and director has control	2	13
Companies in which a shareholder and director has joint control	458	517
	<u>460</u>	<u>530</u>

21 Ultimate controlling party

The ultimate parent undertaking is Amber REI Holdings Limited. The ultimate controlling parties are R S Boparan and B K Boparan.

The smallest and largest group within which the company is consolidated is headed by Amber REI Holdings Limited. The consolidated accounts are available from its registered office, 2nd Floor Colmore Court, 9 Colmore Row, Birmingham, B3 2BJ.