

**Report of the Director and
Financial Statements
for the Year Ended 31 March 2016
for
Dumfries House Home Farm Limited**



Dumfries House Home Farm Limited

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for the Year Ended 31 March 2016**

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Dumfries House Home Farm Limited

**Company Information
for the Year Ended 31 March 2016**

DIRECTOR:	Mr D Windmill
REGISTERED OFFICE:	Dumfries House Dumfries Estate Cumnock Ayrshire KA18 2NJ
REGISTERED NUMBER:	SC261878 (Scotland)
AUDITORS:	Sinclair Scott (Scotland) Limited Chartered Accountants Registered Auditor 3 Wellington Square Ayr Ayrshire KA7 1EN
SOLICITORS:	Anderson Strathearn WS Solicitors 1 Rutland Court Edinburgh Midlothian EH3 8EY

Dumfries House Home Farm Limited

**Report of the Director
for the Year Ended 31 March 2016**

The director presents his report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of farming.

DIRECTORS

Mr D Windmill has held office during the whole of the period from 1 April 2015 to the date of this report.

Other changes in directors holding office are as follows:

Mr R Hall ceased to be a director after 31 March 2016 but prior to the date of this report.

GOING CONCERN & LIQUIDITY RISK

No material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern have been identified by directors.

The company will continue to have the support of its parent company The Great Steward of Scotland's Dumfries House Trust until it becomes solvent.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

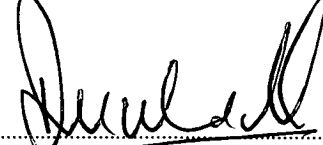
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Sinclair Scott (Scotland) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Mr D Windmill - Director

Date: 6 January 2017

**Report of the Independent Auditors to the Members of
Dumfries House Home Farm Limited**

We have audited the financial statements of Dumfries House Home Farm Limited for the year ended 31 March 2016 on pages four to eight. The financial reporting framework that has been applied in their preparation is 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'.

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 a Report of the Auditors 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.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.



Stephen Wilkie C.A. (Senior Statutory Auditor)
for and on behalf of Sinclair Scott (Scotland) Limited
Chartered Accountants
Registered Auditor
3 Wellington Square
Ayr
Ayrshire
KA7 1EN

Date: 9/1/17

Dumfries House Home Farm Limited

**Income statement
for the Year Ended 31 March 2016**

	Notes	2016 £	2015 £
TURNOVER		33,420	30,770
Cost of sales		<u>52,470</u>	<u>270</u>
GROSS (LOSS)/PROFIT		(19,050)	30,500
Administrative expenses		<u>79,289</u>	<u>7,878</u>
		(98,339)	22,622
Other operating income		<u>12,279</u>	<u>11,979</u>
OPERATING (LOSS)/PROFIT	4	(86,060)	34,601
Interest payable and similar expenses		<u>-</u>	<u>24,608</u>
(LOSS)/PROFIT BEFORE TAXATION		(86,060)	9,993
Tax on (loss)/profit		<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(86,060)</u>	<u>9,993</u>

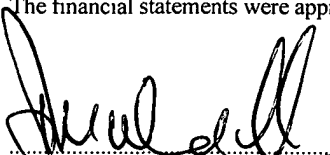
The notes form part of these financial statements

Balance Sheet
31 March 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	6	3,493,578	3,395,240
CURRENT ASSETS			
Stocks		270,448	-
Debtors: amounts falling due within one year	7	13,339	16,266
Cash at bank		40,489	31,697
		<u>324,276</u>	<u>47,963</u>
CREDITORS			
Amounts falling due within one year	8	<u>487,441</u>	<u>26,730</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(163,165)</u>	<u>21,233</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,330,413</u></u>	<u><u>3,416,473</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Revaluation reserve	10	1,918,308	1,918,308
Retained earnings		<u>1,412,103</u>	<u>1,498,163</u>
SHAREHOLDERS' FUNDS		<u><u>3,330,413</u></u>	<u><u>3,416,473</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 6 January 2017 and were signed by:


Mr D Windmill - Director

Dumfries House Home Farm Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1. STATUTORY INFORMATION

Dumfries House Home Farm Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

The turnover shown in the profit and loss account represents revenue recognised by the company in respect of the rental of grazing land and farming activities during the period, exclusive of Value Added Tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 12.5% on reducing balance
Plant and machinery	- 12.5% on reducing balance
Fixtures and fittings	- 12.5% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Fixed assets

Land is held at a historic valuation. Valuations are conducted every five years and an interim review is conducted every three years. The need for impairment is considered every year.

Taxation

All tax losses brought forward are to be utilised within the accounts year. The remainder of any profits are to be gift aided to the parent company, The Great Steward of Scotland's Dumfries House Trust per the Gift Aid declaration in place. As a result there is no requirement to provide for any tax on the profits of the company.

3. EMPLOYEES AND DIRECTORS

The company has no employees. The Great Steward of Scotland's Dumfries House Trust recharged the cost of employees who worked on the farm. This amounted to £39,789.

4. OPERATING (LOSS)/PROFIT

The operating loss (2015 - operating profit) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	6,285	-
	<u> </u>	<u> </u>

5. EXCEPTIONAL ITEMS

	2016	2015
	£	£
Gift Aid	-	(24,608)
	<u> </u>	<u> </u>

Dumfries House Home Farm Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

6. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION					
At 1 April 2015	3,395,240	-	-	-	3,395,240
Additions	4,060	21,000	79,000	563	104,623
At 31 March 2016	3,399,300	21,000	79,000	563	3,499,863
DEPRECIATION					
Charge for year	-	1,312	4,938	35	6,285
At 31 March 2016	-	1,312	4,938	35	6,285
NET BOOK VALUE					
At 31 March 2016	3,399,300	19,688	74,062	528	3,493,578
At 31 March 2015	3,395,240	-	-	-	3,395,240

Cost or valuation at 31 March 2016 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2011	1,938,308	-	-	-	1,938,308
Cost	1,460,992	21,000	79,000	563	1,561,555
	3,399,300	21,000	79,000	563	3,499,863

If freehold land and property had not been revalued it would have been included at the following historical cost:

	2016 £	2015 £
Cost	1,460,992	1,456,932
Value of land in freehold land and buildings	1,460,992	1,456,932

The freehold land and property was valued on an open market basis on 31 March 2011 by Stanley Wright.

No revaluation of the land and buildings was carried out during the financial year. The directors are confident that the value in which the assets are stated is reasonable. A full revaluation of the land and buildings will be carried out next year.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	-	2,713
Other debtors	10,167	10,167
VAT	3,172	3,386
	13,339	16,266

Dumfries House Home Farm Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	26,282	622
Amounts owed to group undertakings	458,659	24,608
Accrued expenses	2,500	1,500
	<u>487,441</u>	<u>26,730</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

10. RESERVES

	Revaluation reserve £
At 1 April 2015 and 31 March 2016	<u>1,918,308</u>

11. RELATED PARTY DISCLOSURES

Included within creditors is a balance of £458,659 (2015: £nil) owed to The Great Steward of Scotland's Dumfries House Trust. This balance related to expenses paid by The Great Steward of Scotland's Dumfries House Trust on behalf of Dumfries House Home Farm Limited. This loan was made on an interest free basis.

An agreement was entered into between Dumfries House Home Farm Limited and The Great Steward of Scotland's Dumfries House Trust to transfer all profits to The Great Steward of Scotland's Dumfries House Trust at the year end. At the end of 2016 a loss was made (2015: £24,608 profit). All losses carried forward are to be utilised before profits are transferred.

12. ULTIMATE CONTROLLING PARTY

The Great Steward of Scotland's Dumfries House Trust (incorporated in Scotland) is regarded by the directors as being the company's ultimate parent company. Its registered address is Dumfries House, Dumfries Estate, Cumnock, Ayrshire, KA18 2NJ.

The parent company prepares group accounts which are available from Companies House, Edinburgh.

Dumfries House Home Farm Limited

**Trading and Profit and Loss Account
for the Year Ended 31 March 2016**

	2016		2015	
	£	£	£	£
Turnover				
Rental income	30,500		30,770	
Cattle sales	2,920		-	
	<u> </u>	33,420	<u> </u>	30,770
 Cost of sales				
Purchases	282,283		270	
Feed	8,128		-	
Stray and Haw	7,326		-	
Hire of plant and machinery	10,908		-	
Other operating leases	821		-	
Contractors	3,482		-	
Machinery Repairs	1,886		-	
Veterinary and Medicine	4,090		-	
Other livestock sundries	1,751		-	
Fuel and Oil	2,243		-	
	<u> </u>		<u> </u>	
	322,918		270	
Closing stock	(270,448)		-	
	<u> </u>	52,470	<u> </u>	270
 GROSS (LOSS)/PROFIT		(19,050)		30,500
 Other income				
Sundry receipts		12,279		11,979
		<u> </u>		<u> </u>
		(6,771)		42,479
 Expenditure				
Insurance	579		-	
Heat and light	1,765		-	
Repairs to property	1,041		5,841	
Wages	36,504		-	
Social security	3,285		-	
Telephone	145		-	
Postage and stationery	93		-	
Repairs and renewals	1,430		-	
Software	1,941		-	
Sundry expenses	978		537	
Accountancy	3,688		-	
Subscriptions	553		-	
Professional Fees	10,582		-	
Legal fees	6,984		-	
Auditors' remuneration	2,500		1,500	
Motor expenses	936		-	
	<u> </u>	73,004	<u> </u>	7,878
		(79,775)		34,601
 The Great Steward of Scotland Dumfries House Trust				
Gift Aid		-		24,608
		<u> </u>		<u> </u>
Carried forward		(79,775)		9,993

Dumfries House Home Farm Limited

**Trading and Profit and Loss Account
for the Year Ended 31 March 2016**

	2016		2015	
	£	£	£	£
Brought forward		(79,775)		9,993
Depreciation				
Improvements to property	1,312		-	
Plant and machinery	4,938		-	
Fixtures and fittings	35		-	
	<u> </u>	6,285	<u> </u>	-
NET (LOSS)/PROFIT		<u><u>(86,060)</u></u>		<u><u>9,993</u></u>