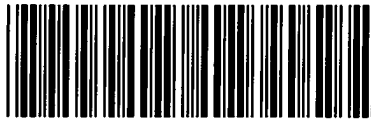


Company Registration No. SC261878 (Scotland)

DUMFRIES HOUSE HOME FARM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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DUMFRIES HOUSE HOME FARM LIMITED

COMPANY INFORMATION

Directors	Mr Gordon Neil Mrs Emily Cherrington	(Appointed 1 December 2021)
Company number	SC261878	
Registered office	Dumfries House Cumnock Ayrshire United Kingdom KA18 2NJ	
Auditor	Saffery Champness LLP Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA	
Solicitors	McCarthy Denning Minster House 42 Mincing Lane London EC3R 7AE	

DUMFRIES HOUSE HOME FARM LIMITED

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DUMFRIES HOUSE HOME FARM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities

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

Directors

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

Mr Robert Lovie	(Resigned 23 March 2021)
Mr Gordon Neil	
Mr Michael Fawcett	(Appointed 23 March 2021 and resigned 1 December 2021)
Mrs Emily Cherrington	(Appointed 1 December 2021)

Auditor

The auditor, Saffery Champness LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

DUMFRIES HOUSE HOME FARM LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Going Concern & Liquidity Risk

The company is reliant on the continued support of its parent company, The Prince's Foundation. 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.

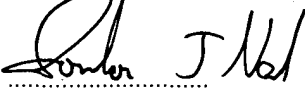
In common with most businesses the directors are monitoring the ongoing situation with respect to the COVID-19 pandemic.

This is an ongoing situation but the directors are satisfied that these events do not affect the company's ability to continue as a going concern and this basis is appropriate for the preparation of the accounts.

Small companies exemption

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 Gordon Neil
Director

Date: 03/12/2021

DUMFRIES HOUSE HOME FARM LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DUMFRIES HOUSE HOME FARM LIMITED

Opinion

We have audited the financial statements of Dumfries House Home Farm Limited (the 'company') for the year ended 31 March 2021 which comprise the profit and loss account, the balance sheet 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 31 March 2021 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.

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

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 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.

Other information

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

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

DUMFRIES HOUSE HOME FARM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUMFRIES HOUSE HOME FARM LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were 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 Directors.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

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.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

DUMFRIES HOUSE HOME FARM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DUMFRIES HOUSE HOME FARM LIMITED

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Kenneth McDowell (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors
133 Fountainbridge
Edinburgh
EH3 9BA

Date: 14 DECEMBER 2021

DUMFRIES HOUSE HOME FARM LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Turnover	212,837	122,152
Cost of sales	(206,309)	(119,356)
Gross profit	6,528	2,796
Administrative expenses	(192,528)	(188,787)
Other operating income	180,380	127,152
Operating loss	(5,620)	(58,839)
Interest payable and similar expenses	(1,639)	(1,891)
Loss before taxation	(7,259)	(60,730)
Tax on loss	-	-
Loss for the financial year	(7,259)	(60,730)

DUMFRIES HOUSE HOME FARM LIMITED

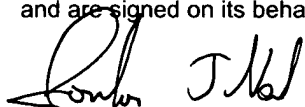
BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		4,790,333		3,944,052
Current assets					
Stocks	5	364,990		386,557	
Debtors	6	41,694		44,174	
Cash at bank and in hand		146,389		22,004	
		553,073		452,735	
Creditors: amounts falling due within one year	7	(2,193,530)		(1,227,367)	
Net current liabilities			(1,640,457)		(774,632)
Total assets less current liabilities			3,149,876		3,169,420
Creditors: amounts falling due after more than one year	8		(13,625)		(25,910)
Net assets			3,136,251		3,143,510
Capital and reserves					
Called up share capital	10		2		2
Revaluation reserve	11	2,030,557		2,030,557	
Profit and loss reserves	12	1,105,692		1,112,951	
Total equity			3,136,251		3,143,510

These 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 board of directors and authorised for issue on 03/12/2021 and are signed on its behalf by:



Mr Gordon Neil
Director

Company Registration No. SC261878

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Dumfries House Home Farm Limited is a private company limited by shares incorporated in Scotland. The company's registered number is SC261878 and registered office address is Dumfries House, Cumnock, Ayrshire, KA18 2NJ.

1.1 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

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

1.2 Going concern

These financial statements have been prepared on a going concern basis which assumes that the company is able to realise its assets and discharge its liabilities in the normal course of business.

The Directors consider it appropriate to prepare the accounts on a going concern basis, as the ultimate parent company, The Prince's Foundation, confirmed its willingness to support the company to allow it to meet its liabilities as they fall due.

1.3 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.

1.4 Tangible fixed assets

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

Freehold land and buildings	Freehold land is not depreciated
Improvements to property	4% straight line
Plant and equipment	33.3% straight line
Fixtures and fittings	33.3% straight line

1.5 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.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cattle is held at market value last on 31st March 2021.

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.9 Employee benefits

The company has no employees. The parent company, The Prince's Foundation, recharged the cost of employees who worked in the company.

1.10 Retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

1.11 Leases

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

2 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	3,650	3,500
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	1,400	1,350
	<u> </u>	<u> </u>

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Employees

There were no employees during the year (2020: nil).

The parent company, The Prince's Foundation, recharged the cost of employees who worked on the farm of £102,006. A further £5,470 has been accrued in relation to holiday pay. The total costs for the year amounted to £107,476 (2020: £100,233).

4 Tangible fixed assets

	Freehold land and buildings	Improvements to property	Assets under construction	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2020	3,511,549	15,000	342,491	119,494	563	3,989,097
Additions	-	-	869,216	10,625	-	879,841
Disposals	-	-	-	(1,535)	-	(1,535)
At 31 March 2021	3,511,549	15,000	1,211,707	128,584	563	4,867,403
Depreciation and impairment						
At 1 April 2020	-	-	-	44,746	299	45,045
Depreciation charged in the year	-	600	-	32,348	109	33,057
Eliminated in respect of disposals	-	-	-	(1,032)	-	(1,032)
At 31 March 2021	-	600	-	76,062	408	77,070
Carrying amount						
At 31 March 2021	3,511,549	14,400	1,211,707	52,522	155	4,790,333
At 31 March 2020	3,511,549	15,000	342,491	74,748	264	3,944,052

If freehold land and buildings had not been revalued it would have been included at the historical cost of £1,480,992 (2020: £1,480,992).

The freehold land and buildings was valued on an open market on 31 March 2017 by Stanley Wright.

5 Stocks

	2021 £	2020 £
Crops, Produce and Livestock	364,990	386,557

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

(Continued)

5 Stocks

Within stock there is £7,400 of cattle which are owned by a third party. Dumfries House Home Farm Limited are entitled to sell the cattle but they are primarily held for breeding purposes. The entity retains all title to any progeny. Per the terms of the agreement with the third party, any animals sold must be replaced on a like for like basis. A provision for potential future cattle replacements of £7,400 is recognised in "Other Creditors".

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	11,960	-
Other debtors	25,220	21,512
Prepayments and accrued income	4,514	22,662
	<u>41,694</u>	<u>44,174</u>

7 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Hire Purchase contracts		12,285	13,230
Trade creditors		25,394	20,523
Amounts owed to group undertakings		2,129,974	1,116,901
Deferred income	9	-	67,063
Other creditors		7,400	-
Accruals and deferred income		18,477	9,650
		<u>2,193,530</u>	<u>1,227,367</u>

8 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Hire Purchase contracts	<u>13,625</u>	<u>25,910</u>

9 Deferred income

	2021 £	2020 £
Arising from Farming subsidies	<u>-</u>	<u>67,063</u>

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid Ordinary of £1 each	2	2	2	2

11 Revaluation reserve

	2021 £	2020 £
At the beginning and end of the year	2,030,557	2,030,557

12 Profit and loss reserves

	2021 £	2020 £
At the beginning of the year	1,112,951	1,173,681
Loss for the year	(7,259)	(60,730)
At the end of the year	1,105,692	1,112,951

13 Operating lease commitments

Dumfries House Home Farm Limited has one motor vehicle which is leased under a rolling one year operating lease agreement. The original lease agreement was undertaken by the parent entity, The Prince's Foundation, but is paid in full by Dumfries House Home Farm Limited.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021 £	2020 £
3,450	3,450

14 Related party transactions

Included within creditors is a balance of £2,129,974 (2020: £1,116,901) owed to The Prince's Foundation. The increase in creditor is due to the recharge of salaries of £102,006, construction works at Coachford of £869,216 and £18,958 of expenses paid by The Prince's Foundation on behalf of Dumfries House Home Farm Limited. The funds for one heifer sale of £1,300 was received by The Prince's Foundation and transferred to Dumfries House Home Farm Limited. VAT on recharges amounted to £24,193.

This loan was made on an interest free basis and repayment terms have not yet been set.

An agreement was entered into between Dumfries House Home Farm Limited and The Prince's Foundation, to transfer all profits to The Prince's Foundation at the year end. In both 2020 and 2021, a loss was made. All losses carried forward are to be utilised before profits are transferred.

DUMFRIES HOUSE HOME FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Ultimate parent company

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

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

16 COVID-19

In common with most businesses the company is monitoring the COVID-19 pandemic. This is an ongoing situation and the company is adopting a strategy to manage the everchanging situation as effectively as possible.

17 Post balance sheet event

Post year end Dumfries House Home Farm Limited received grant funding of £7,000 relating to activities which took place in 2020. This funding is not reflected in the accounts to 31 March 2021 as there was no entitlement to the income at the year end date.

18 Subsequent events

At the date of approval of the financial statements the directors are mindful of ongoing press reporting with reference to the ultimate parent company, The Prince's Foundation. Having made the necessary enquiries, the directors are satisfied that these reported events do not result in any material financial exposure to the Company which would require adjustment to or additional disclosure within the Company's financial statements.