

Company Registration No. SC362745 (Scotland)

Waverley Farm Contracts Limited

**Financial statements
for the year ended 31 December 2018**

Pages for filing with the Registrar

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Waverley Farm Contracts Limited

Company information

Directors	Philip Davies Nicholas Ross John Kutner Trevor Jackson
Company number	SC362745
Registered office	15 Atholl Crescent Edinburgh EH3 8HA
Independent auditors	Saffery Champness LLP Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA

Waverley Farm Contracts Limited

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Waverley Farm Contracts Limited

**Statement of financial position
As at 31 December 2018**

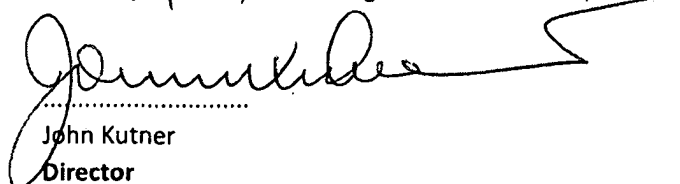
	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	3		125,958		194,952
Current assets					
Stocks		273,545		356,428	
Debtors	4	164,280		69,765	
Cash at bank and in hand		10,832		114,850	
		448,657		541,043	
Creditors: amounts falling due within one year	5	(796,685)		(958,183)	
Net current liabilities			(348,028)		(417,140)
Total assets less current liabilities			(222,070)		(222,188)
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			(222,170)		(222,288)
Total equity			(222,070)		(222,188)

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The notes on pages 2 to 8 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 21/9/2019 and are signed on its behalf by:


John Kutner
Director

Company Registration No. SC362745

1 Accounting policies

Company information

Waverley Farm Contracts Limited is a private company limited by shares incorporated in Scotland. The registered office is 15 Atholl Crescent, Edinburgh, EH3 8HA.

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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT, and is recognised when contractual obligations are met with regards to goods provided. Turnover is wholly related to activities in the UK.

1.3 Tangible fixed assets

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

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:

Plant and machinery	5 & 10 years straight line
Motor vehicles	3 years straight line

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.

1.4 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.

Notes to the financial statements (continued)

For the year ended 31 December 2018

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.6 Cash and cash equivalents

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

1.7 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 in the company's statement of financial position 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 debtors, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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 income statement 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.

Deferred tax

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accountancy purposes.

Deferred taxation is provided in full in respect of taxation by timing differences between the treatment of certain items and accounting purposes. The deferred tax balances has not been discounted.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

Waverley Farm Contracts Limited

Notes to the financial statements (continued)

For the year ended 31 December 2018

1 Accounting policies (continued)

1.10 Going concern

The company meets its day to day working capital requirements through loans from shareholders.

The shareholders have stated that they will not recall the loans to the company while this would damage the interests of external creditors. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2 Employees

There were no employees during the year (2017: nil)

3 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 January 2018	224,678	38,761	263,439
Disposals	(53,441)	(21,561)	(75,002)
At 31 December 2018	171,237	17,200	188,437
Depreciation and impairment			
At 1 January 2018	37,619	30,868	68,487
Depreciation charged in the year	24,741	7,034	31,775
Eliminated in respect of disposals	(16,222)	(21,561)	(37,783)
At 31 December 2018	46,138	16,341	62,479
Carrying amount			
At 31 December 2018	125,099	859	125,958
At 31 December 2017	187,059	7,893	194,952

Waverley Farm Contracts Limited

Notes to the financial statements (continued)

For the year ended 31 December 2018

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	44,595	14,195
Other debtors	80,011	15,896
	<u>124,606</u>	<u>30,091</u>
Deferred tax asset (note 6)	39,674	39,674
	<u>164,280</u>	<u>69,765</u>

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	122,455	246,556
Amounts owed to group undertakings	619,451	648,389
Taxation and social security	-	36,263
Other creditors	54,779	26,975
	<u>796,685</u>	<u>958,183</u>

6 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets	Assets
	2018	2017
Balances:	£	£
Tax losses	<u>39,674</u>	<u>39,674</u>

The deferred tax asset set out above is expected to reverse in the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

Waverley Farm Contracts Limited

Notes to the financial statements (continued)

For the year ended 31 December 2018

7 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Hughes.

The auditor was Saffery Champness LLP.

9 Parent company

The entire share capital of the company is owned by St Boswells Biogas Limited, an English company with registered number 09072369.

The immediate controlling party of St Boswells Biogas Limited is Iona Environmental Infrastructure LP due to their majority shareholding in the company.

10 Related party relationships and transactions

During the year the company earned income from sales of £1,408,564 (2017: £1,365,593) and recharges of £105,074 to St Boswells Biogas Limited, its ultimate parent company. Working capital advances totaling £1,344,692 (2017: £1,409,220) were made during the year. A balance of £619,451 (2017: £648,389) was outstanding at 31 December 2018.

Iona Capital Limited charged director fees of £21,390 (2017: £20,677) and other fees of £30,244 (2017: £33,232) during the year. A balance of £13,896 (2017: £34,260) was outstanding at 31 December 2018.

St Boswells Fuels Limited, a business controlled by director Trevor Jackson charged consultancy fees of £16,667 (2017: £40,000). A balance of £4,000 (2017: £8,000 due to) was due from St Boswells Fuels Limited at 31 December 2018.

Charlesfield Farms Limited, a business controlled by director Trevor Jackson charged crop costs of £25,066 (2017: £85,174), recharge costs of £9,356 (2017: £Nil) and office rental fees of £3,000 (2017: £Nil) during the year. A balance of £4,769 (2017: £11,760) was outstanding at 31 December 2018.

M J Orr & Co, a business controlled by director Michael Orr charged consultancy fees of £9,999 (2017: £43,329) and recharge costs of £1,863 (2017: £Nil) during the year. A balance of £Nil (2017: £4,282) was outstanding at 31 December 2018. Michael Orr resigned as a director on 23 January 2018.