

Company Registration No. SC510252 (Scotland)

PITREADIE FARM LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019
PAGES FOR FILING WITH REGISTRAR**

PITREADIE FARM LIMITED

COMPANY INFORMATION

Directors	L Cross K M Smith
Company number	SC510252
Registered office	14 Loirsbank Road Cults Aberdeen AB15 9NE

PITREADIE FARM LIMITED

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PITREADIE FARM LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Intangible assets	3		59,021		100,683
Tangible assets	4		7,998,154		7,924,146
			<u>8,057,175</u>		<u>8,024,829</u>
Current assets					
Stocks	5	364,871		233,366	
Debtors	6	162,832		198,951	
Cash at bank and in hand		7,234		19,110	
		<u>534,937</u>		<u>451,427</u>	
Creditors: amounts falling due within one year	7	(377,388)		(535,372)	
Net current assets/(liabilities)			<u>157,549</u>		<u>(83,945)</u>
Total assets less current liabilities			<u>8,214,724</u>		<u>7,940,884</u>
Creditors: amounts falling due after more than one year	8	(8,639,381)		(8,199,310)	
Net liabilities			<u>(424,657)</u>		<u>(258,426)</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			(424,757)		(258,526)
			<u>(424,657)</u>		<u>(258,426)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

PITREADIE FARM LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2019

The financial statements were approved by the board of directors and authorised for issue on 30 December 2019 and are signed on its behalf by:

L CROSS

L Cross
Director

Company Registration No. SC510252

PITREADIE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Pitreadie Farm Limited is a private company limited by shares incorporated in Scotland. The registered office is 14 Loirsbank Road, Cults, Aberdeen, AB15 9NE.

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 £.

1.2 Going concern

These financial statements are prepared on a going concern basis. At the balance sheet date, the company had net liabilities and included within these liabilities are amounts due to related parties of £4,267,989. After the balance sheet date, this amount was converted to ordinary shares and therefore the financial statements are prepared on a going concern basis which assumes that the company will continue to meet its liabilities as they fall due. Furthermore, the directors have confirmed they shall continue to support the company to facilitate its ability to continue trading as a going concern for the foreseeable future. As a result, the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

1.3 Turnover

Revenue comprises farming subsidies and livestock sales. Revenue is recognised in the period to which it relates.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful life.

1.5 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:

Freehold land and buildings	Between 2% and 5% straight line. Land is not depreciated.
Plant and equipment	10% straight line and 25% straight line
Fencing	10% straight line
Motor vehicles	25% reducing balance

PITREADIE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

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.

1.6 Biological assets

Biological assets are recognised only when three recognition criteria have been fulfilled:

- the entity has control over the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

The company measures biological assets at cost less accumulated depreciation and accumulated impairment losses.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

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

1.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade debtors and creditors. These are measured at amortised cost and are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

1.10 Grants

Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 2).

PITREADIE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

3 Intangible fixed assets

	Payment Entitlement £
Cost	
At 1 August 2018 and 31 July 2019	140,500
Amortisation and impairment	
At 1 August 2018	39,817
Amortisation charged for the year	41,662
At 31 July 2019	81,479
Carrying amount	
At 31 July 2019	59,021
At 31 July 2018	100,683

4 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fencing £	Motor vehicles £	Total £
Cost					
At 1 August 2018	7,109,797	647,441	133,688	87,420	7,978,346
Additions	21,546	131,523	29,620	14,835	197,524
At 31 July 2019	7,131,343	778,964	163,308	102,255	8,175,870
Depreciation and impairment					
At 1 August 2018	11,500	21,228	5,542	15,930	54,200
Depreciation charged in the year	19,784	67,776	15,462	20,494	123,516
At 31 July 2019	31,284	89,004	21,004	36,424	177,716
Carrying amount					
At 31 July 2019	7,100,059	689,960	142,304	65,831	7,998,154
At 31 July 2018	7,098,297	626,213	128,146	71,490	7,924,146

5 Stocks

	2019 £	2018 £
Stocks	364,871	233,366

PITREADIE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

6 Debtors		2019	2018
		£	£
Amounts falling due within one year:			
Trade debtors		98,507	300
Other debtors		27,430	153,748
Prepayments and accrued income		36,895	44,903
		<u>162,832</u>	<u>198,951</u>
		<u><u>162,832</u></u>	<u><u>198,951</u></u>
7 Creditors: amounts falling due within one year		2019	2018
		£	£
Obligations under finance leases		124,046	106,671
Trade creditors		170,427	409,541
Taxation and social security		868	604
Other creditors		24,311	136
Accruals and deferred income		57,736	18,420
		<u>377,388</u>	<u>535,372</u>
		<u><u>377,388</u></u>	<u><u>535,372</u></u>
8 Creditors: amounts falling due after more than one year		2019	2018
	Notes	£	£
Bank loans and overdrafts	9	3,600,000	3,600,000
Obligations under finance leases		151,017	235,494
Other borrowings	9	4,267,989	4,286,343
Accruals and deferred income		620,375	77,473
		<u>8,639,381</u>	<u>8,199,310</u>
		<u><u>8,639,381</u></u>	<u><u>8,199,310</u></u>
9 Loans and overdrafts		2019	2018
		£	£
Bank loans		3,600,000	3,600,000
Other loans		4,267,989	4,286,343
		<u>7,867,989</u>	<u>7,886,343</u>
		<u><u>7,867,989</u></u>	<u><u>7,886,343</u></u>
Payable after one year		7,867,989	7,886,343
		<u><u>7,867,989</u></u>	<u><u>7,886,343</u></u>

PITREADIE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

9 Loans and overdrafts

(Continued)

The long-term loans are secured by a Bond and Floating Charge over the property of Pitreadie Farm Limited; a standard security over land at Pitreadie Farm, Banchory; a standard security over the land at Tippetty Farm. There is also a guarantee made by L Cross, a director, of £150,000 as well as the postponement of her directors loan.

Borrowings take the form of 2 Bank of Scotland loans of £1.8m. These are interest only loans which will mature in 5 years. Interest is charged at a rate of 2% over base rate.

Other loans are long term directors loans. These are not repayable on demand as they are postponed as per the terms of the security of the bank loans. No interest has been charged on this due to the early adoption of the Triennial Review.

10 Events after the reporting date

After the balance sheet date, the company entered into an agreement whereby The Parkmead Group plc will acquire the entire issued share capital for a consideration of £4.9m.

Also following the balance sheet date, the directors' loan has been converted to ordinary shares.

11 Related party transactions

Transactions

During the year, the company made advances to the directors of £687,000. Credits of £668,646 were received by the company, which resulted in a balance of £4,267,989 due by the company at the year end (2018 - £4,286,343). The loan is unsecured and interest free with no fixed repayment terms in place.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.