

Company registration number SC637928 (Scotland)

HILLTOP LEAF LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR

HILLTOP LEAF LIMITED

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HILLTOP LEAF LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		101,907		54,320
Tangible assets	5		2,160,938		1,907,410
			<u>2,262,845</u>		<u>1,961,730</u>
Current assets					
Debtors	6	267,052		81,430	
Cash at bank and in hand		72,790		7,449	
		<u>339,842</u>		<u>88,879</u>	
Creditors: amounts falling due within one year	7	(2,182,100)		(1,573,281)	
Net current liabilities			<u>(1,842,258)</u>		<u>(1,484,402)</u>
Total assets less current liabilities			420,587		477,328
Creditors: amounts falling due after more than one year	8		(1,180,545)		(662,657)
Net liabilities			<u>(759,958)</u>		<u>(185,329)</u>
Capital and reserves					
Called up share capital	11		3		3
Profit and loss reserves			(759,961)		(185,332)
Total equity			<u>(759,958)</u>		<u>(185,329)</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 30 June 2022 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.

HILLTOP LEAF LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2022

The financial statements were approved by the board of directors and authorised for issue on 16 March 2023 and are signed on its behalf by:

Mr. E H Browne
Director

Company Registration No. SC637928

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Hilltop Leaf Limited is a private company limited by shares incorporated in Scotland. The registered office is 5 Whitefriars Crescent, Perth, United Kingdom, PH2 0PA. The principal place of business is Craig Farm, Westerkirk, Langholm, Dumfriesshire, United Kingdom, DG13 0NZ.

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 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Patents & licences	10% straight line
Lease premium	3.33% straight line

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.

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

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:

Buildings	5% on cost
Plant and equipment	20% on cost
Tools and equipment	20% on cost
Computers	20% on cost
Motor vehicles	25% on reducing balance

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 Impairment of fixed assets

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

1.7 Cash and cash equivalents

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.

1.8 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 balance sheet 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 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 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.

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.

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. 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 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	9	5

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Intangible fixed assets

	Other £
Cost	
At 1 July 2021	54,337
Additions	48,704
	<hr/>
At 30 June 2022	103,041
	<hr/>
Amortisation and impairment	
At 1 July 2021	17
Amortisation charged for the year	1,117
	<hr/>
At 30 June 2022	1,134
	<hr/>
Carrying amount	
At 30 June 2022	101,907
	<hr/> <hr/>
At 30 June 2021	54,320
	<hr/> <hr/>

5 Tangible fixed assets

	Buildings £	Plant and machinery etc £	Total £
Cost			
At 1 July 2021	1,903,950	3,579	1,907,529
Additions	208,559	51,717	260,276
	<hr/>	<hr/>	<hr/>
At 30 June 2022	2,112,509	55,296	2,167,805
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 July 2021	-	119	119
Depreciation charged in the year	-	6,748	6,748
	<hr/>	<hr/>	<hr/>
At 30 June 2022	-	6,867	6,867
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 30 June 2022	2,112,509	48,429	2,160,938
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2021	1,903,950	3,460	1,907,410
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

No depreciation has been charged on buildings during the year due to the asset included within this category being under construction and not currently in use.

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

6 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	148,423	45,860
Other debtors	118,629	35,570
	<u>267,052</u>	<u>81,430</u>
7 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	125,414	150,836
Amounts owed to group undertakings	1,963,844	1,409,444
Taxation and social security	25,675	61
Other creditors	67,167	12,940
	<u>2,182,100</u>	<u>1,573,281</u>
8 Creditors: amounts falling due after more than one year	2022	2021
	£	£
Other creditors	1,180,545	662,657
	<u>1,180,545</u>	<u>662,657</u>
Creditors which fall due after five years are as follows:	2022	2021
	£	£
Payable by instalments	67,209	-
	<u>67,209</u>	<u>-</u>
9 Loans and overdrafts	2022	2021
	£	£
Other loans	500,000	-
	<u>500,000</u>	<u>-</u>
Payable within one year	41,667	-
Payable after one year	458,333	-
	<u>500,000</u>	<u>-</u>

The loan is secured by a bond and floating charge over the assets of the company.

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

10 Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	4,127	-
In two to five years	17,958	-
	<u>22,085</u>	<u>-</u>

The finance lease debt is secured over the asset to which it relates.

11 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £3 each	3	3	3	3
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

12 Operating lease commitments

Lessee

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

	2022 £	2021 £
	1,483,333	3,162
	<u>1,483,333</u>	<u>3,162</u>

13 Related party transactions

Transactions with related parties

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with the parent company.

14 Prior period adjustment

Changes to the balance sheet

	As previously reported £	Adjustment £	As restated at 30 Jun 2021 £
Fixed assets			
Other intangibles	153	54,167	54,320
	<u>153</u>	<u>54,167</u>	<u>54,320</u>
Capital and reserves			
Profit and loss reserves	(239,499)	54,167	(185,332)
	<u>(239,499)</u>	<u>54,167</u>	<u>(185,332)</u>

HILLTOP LEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

14 Prior period adjustment

(Continued)

Reconciliation of changes in equity

	1 July 2020 £	30 June 2021 £
Adjustments to prior year		
	-	54,167
Equity as previously reported	3	(239,496)
	<u>3</u>	<u>(185,329)</u>
Equity as adjusted	<u>3</u>	<u>(185,329)</u>
Analysis of the effect upon equity		
Profit and loss reserves	-	54,167
	<u>-</u>	<u>54,167</u>

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.