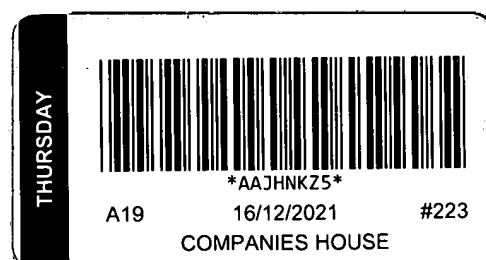


REGISTERED NUMBER: 07541643 (England and Wales)

**NATURAL ASSETS INVESTMENTS LIMITED**  
**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

DTE Business Advisers Limited  
Chartered Accountants  
Statutory Auditors  
The Exchange  
5 Bank Street  
Bury  
BL9 0DN



**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**NATURAL ASSETS INVESTMENTS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**DIRECTORS:**

T Dennis  
F M Douglas

**REGISTERED OFFICE:**

Suites 2g6, 2g8, 2g9  
Glasshouse Alderley Park  
Congleton Road  
Nether Alderley  
Macclesfield  
SK10 4TG

**REGISTERED NUMBER:**

07541643 (England and Wales)

**AUDITORS:**

DTE Business Advisers Limited  
Chartered Accountants  
Statutory Auditors  
The Exchange  
5 Bank Street  
Bury  
BL9 0DN

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

**REVIEW OF BUSINESS**

Natural Assets Investments Limited is a parent company whose subsidiaries' principle focus is on ownership of holiday lettings properties, land ownership, property development and the provision of associated retail services. Despite the impacts of the COVID-19 pandemic the board considers the business had a satisfactory year of core trading and looking ahead looks to benefit in the short and medium term from increased demand from UK holidays and holiday properties.

The group operating loss before interest, tax, depreciation, amortisation and one-off gains or losses on disposals of assets for the reported period is £2.8m and has reduced by 21% versus the year ended 31 December 2019. This has arisen principally because of a reduction in administration expenses in the year ended 31 December 2020 compared to the prior year.

Other factors that are relevant to the business review are as follows:

- The group has continued to sell holiday homes at its Trewiddle, Llyn Peninsular and Yorkshire Dales locations where there is strong demand for holiday home sales.
- There have been no loan repayments made during the year to the principle shareholder. Interest is accrued on these loans with £2.1m charged during the year (£2.1m charged in 2019).
- Total assets less current liabilities (TALCL) have decreased by £2.4m. The most material movements on the statement of financial position contributing to this are as follows:
  - Decrease in value of investment property - £785k decrease to TALC
  - Goodwill amortisation and disposal - £844k decrease to TALCL
  - Increase in creditors due within 12 months - £740k decrease to TALCL
- Cash at bank and in hand increased by £53k.

**Strategy**

The strategy of the group is to focus on growing sustainable profitability and shareholder return through a focus on the core business of developing, renting and selling self-catering holiday accommodation within the United Kingdom.

The principle strategic objectives of the group are:

- To drive sustainable profitability and shareholder return on all activities and to diversify away from loss making activities.
- To selectively pursue strategic land and property investment opportunities that meet the group's investment criteria for risk and return.
- To deliver outstanding products and services that anticipate the market and exceed the expectations of guests and clients.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The group finances its operations through shareholders' loans and, where necessary to fund improvement activities and capital expenditure programmes, through bank and other borrowings.

The management's financial risk management objectives are to:

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due;
- minimise the group's exposure to fluctuating interest rates; and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash expected to arise from the group's trading activities.

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors have assessed the main risks facing the group as being:

- Interest rate movements
- Competitive pressures
- Payment default by customers/guests
- Controlling and managing construction costs
- Falling property values
- Maintaining shareholder funding
- Shift in the popularity of areas for UK Holidays which may have a direct impact on areas where development projects are planned
- Change in the nature and complexity of the building process

Interest rate movements are monitored frequently. Exposure to fluctuations in interest rates affecting long term borrowings is largely eliminated by entering into fixed rate loans where this is possible and economically viable.

The group establishes long term partnership arrangements with suppliers with whom they work to manage raw material price volatility.

The risk from competitive pressures is managed by building strong partnerships with customers/guests and providing them with the highest standards of quality and service.

The group works closely with its customers to mitigate potential payment defaults and, where it is available, ensures payments are made in advance.

The directors also regularly monitor and assess the risks posed by changes to general economic activity, government policies, tax legislation and environmental requirements and amend their strategy as appropriate.

**KEY PERFORMANCE INDICATORS**

The group operates and monitors a range of KPIs covering all the key aspects of its operations including the following:

- Activity level - measured by turnover growth, occupancy levels and ADR's
- Turnover, decline year on year is 43% - this was substantially impacted by period of enforced closure arising from the COVID 19 pandemic
- Profitability - measured by Gross Profit as a percentage of turnover increased from 36.9% in 2019 to 39.3% in 2020
- Overall group Operating Loss has decreased 11% year on year
- The group maintained a positive cash balance and did not require an overdraft
- Average cost of long term debt was 10% during the year.

The directors monitor performance through the use of detailed annual budgets and forecasts that cover all the trading divisions in the group and the monitoring of actual performance against these budgets.

The directors are satisfied with the performance of the businesses in the light of market conditions during the year.

**FUTURE DEVELOPMENTS**

The directors feel the group is well placed for the future having completed the development of its last active site and remains tightly focused on renting and selling properties while maintaining a strict focus on cost control and its core activities. The group continues to divest itself of historic non-core activities. As a result the group expects to benefit from increased rental yields and future property sales income.

It is the intention of the directors to focus on driving profitability and asset sales at the group's sites to repay the existing third party bank debt and also potentially to reinvest some of these funds to develop and expand other existing sites within the group.

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**COVID-19**

Since the year end the global COVID-19 pandemic has developed rapidly in 2020 and at the time of writing this report, both the UK and World are still facing huge challenges fighting the pandemic and the economic uncertainty that has been created.

The directors have considered the impact of the COVID-19 pandemic and while they recognise that they cannot be expected to predict what will happen in the future with COVID-19, the directors have taken all possible steps to mitigate any risks to the business as a result of this.

Following the first lockdown the group was able to open its rental properties, and achieved high levels of bookings as people looked to take holidays in the UK. In opening up the group has implemented COVID-19 secure procedures including social distancing, and cleaning regimes, along with adopting all Government and public health guidelines to ensure a safe working environment for all staff and customers.

The group has taken advantage, and will continue to do so, of all appropriate financial support packages made available by the Government.

**ON BEHALF OF THE BOARD:**



T Dennis - Director

Date:

22<sup>nd</sup> October 2021

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

**PRINCIPAL ACTIVITY**

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

The principal activities of the subsidiary entities are holiday lettings, land ownership, property development and the provision of retail and guiding services.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2020.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

T Dennis  
F M Douglas

Other changes in directors holding office are as follows:

E J Kearney - resigned 9 January 2020  
M D Spence - resigned 9 January 2020  
A Wild - resigned 9 January 2020

**DISCLOSURE IN THE STRATEGIC REPORT**

In accordance with s414C(11) of the Companies Act, all other applicable disclosure requirements, which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in the directors' report, have been included in the strategic report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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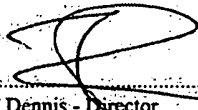
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director 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 group's auditors are aware of that information.

**AUDITORS**

DTE Business Advisers Limited has indicated its willingness to be reappointed for another term and appropriate arrangements are being made for it to be deemed reappointed as auditor in the absence of an Annual General Meeting.

**ON BEHALF OF THE BOARD:**



T Dennis - Director

Date: 22<sup>nd</sup> October 2021



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NATURAL ASSETS INVESTMENTS LIMITED**

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### **Opinion**

We have audited the financial statements of Natural Assets Investments Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and of the parent company affairs as at 31 December 2020 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's and the parent 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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, 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 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 the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NATURAL ASSETS INVESTMENTS LIMITED**

---

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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 a Report of the Auditors 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:

As part of our planning process:

- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The group did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the following were most relevant: FRS 102, Companies Act 2006, Health & Safety at Work 1974, Fire Precautions Act 1974, Employment Act 2008, General Data Protection Regulations (GDPR), and COVID-19 government regulations.
- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
NATURAL ASSETS INVESTMENTS LIMITED**

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the valuation of investment property, the classification of properties, the useful economic life of goodwill and the appropriateness of the going concern basis.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations in particular those that are central to the entity's ability to continue in operation.
- Testing key revenue lines for evidence of management bias.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party and consolidated balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 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.

*DTE Business Advisers Limited*

Richard Taylor (Senior Statutory Auditor)  
for and on behalf of DTE Business Advisers Limited  
Chartered Accountants  
Statutory Auditors  
The Exchange  
5 Bank Street  
Bury  
BL9 0DN

Date: 22 October 2021

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

**CONSOLIDATED  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>REVENUE</b>	3	1,145,352	1,992,974
Cost of sales		(694,974)	(1,258,333)
<b>GROSS PROFIT</b>		450,378	734,641
Administrative expenses		(3,887,855)	(4,342,413)
		(3,437,477)	(3,607,772)
Other operating income		284,339	94,848
<b>GROUP OPERATING LOSS</b>	5	(3,153,138)	(3,512,924)
Share of operating profit/(loss) in Joint ventures		350	(6,488)
Profit/(loss) on disposal of operations	6	-	(5,052)
		(3,152,788)	(3,524,464)
Profit/loss on sale of investment properties	7	-	(95,097)
		(3,152,788)	(3,619,561)
Interest payable and similar expenses	8	(2,440,684)	(2,564,805)
<b>LOSS BEFORE TAXATION</b>		(5,593,472)	(6,184,366)
Tax on loss	9	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		(5,593,472)	(6,184,366)
Loss attributable to:			
Owners of the parent		(5,586,186)	(6,165,032)
Non-controlling interests		(7,286)	(19,334)
		(5,593,472)	(6,184,366)

The notes form part of these financial statements

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**CONSOLIDATED  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>LOSS FOR THE YEAR</b>		<b>(5,593,472)</b>	<b>(6,184,366)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(5,593,472)</u></b>	<b><u>(6,184,366)</u></b>
Total comprehensive income attributable to:			
Owners of the parent		<b>(5,586,186)</b>	<b>(6,165,032)</b>
Non-controlling interests		<b>(7,286)</b>	<b>(19,334)</b>
		<b><u>(5,593,472)</u></b>	<b><u>(6,184,366)</u></b>

The notes form part of these financial statements

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	11	1,761,229	2,594,895
Property, plant and equipment	12	439,523	520,266
Investments	13		
Interest in joint venture			
Share of gross liabilities		(34,795)	(35,145)
		(34,795)	(35,145)
Other investments			30,000
Investment property	14	25,091,250	25,758,428
		<u>27,257,207</u>	<u>28,868,444</u>
<b>CURRENT ASSETS</b>			
Inventories	15	23,301	33,401
Debtors: amounts falling due within one year	16	550,854	959,443
Debtors: amounts falling due after more than one year	16		37,500
Cash at bank and in hand		123,193	70,283
		<u>697,348</u>	<u>1,100,627</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(13,858,704)	(13,119,115)
<b>NET CURRENT LIABILITIES</b>		<u>(13,161,356)</u>	<u>(12,018,488)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>14,095,851</u>	<u>16,849,956</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	(65,825,447)	(62,986,080)
<b>NET LIABILITIES</b>		<u>(51,729,596)</u>	<u>(46,136,124)</u>

The notes form part of these financial statements

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued  
31 DECEMBER 2020

	Notes	2020 £	2019 £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	1,000	1,000
Merger reserves	23	149,999	149,999
Other reserves	23	1,395,608	2,158,250
Retained earnings	23	(52,908,605)	(48,085,061)
<b>SHAREHOLDERS' FUNDS</b>		<b>(51,361,998)</b>	<b>(45,775,812)</b>
<b>NON-CONTROLLING INTERESTS</b>		<b>(367,598)</b>	<b>(360,312)</b>
<b>TOTAL EQUITY</b>		<b>(51,729,596)</b>	<b>(46,136,124)</b>

The financial statements were approved by the Board of Directors and authorised for issue on 22nd October 2021 and were signed on its behalf by:



T Dennis - Director

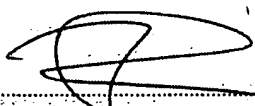
The notes form part of these financial statements

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

COMPANY STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	11	-	-
Property, plant and equipment	12	3,333	18,891
Investments	13	200,055	230,055
Investment property	14	-	-
		<u>203,388</u>	<u>248,946</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	16	191,830	540,144
Debtors: amounts falling due after more than one year	16	19,507,007	19,832,022
Cash at bank		62,145	48,961
		<u>19,760,982</u>	<u>20,421,127</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(9,847,589)	(9,331,680)
<b>NET CURRENT ASSETS</b>		<u>9,913,393</u>	<u>11,089,447</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>10,116,781</u>	<u>11,338,393</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	(60,555,839)	(57,839,061)
<b>NET LIABILITIES</b>		<u>(50,439,058)</u>	<u>(46,500,668)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	1,000	1,000
Merger reserves	23	149,999	149,999
Retained earnings	23	(50,590,057)	(46,651,667)
<b>SHAREHOLDERS' FUNDS</b>		<u>(50,439,058)</u>	<u>(46,500,668)</u>
Company's loss for the financial year		<u>(3,938,390)</u>	<u>(5,161,151)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27th October 2021 and were signed on its behalf by:

  
T Dennis - Director

The notes form part of these financial statements



NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

		Called up share capital £	Retained earnings £	Merger reserves £
Balance at 1 January 2019		1,000	(41,868,319)	149,999
Changes in equity				
Total comprehensive income		-	(6,165,032)	-
Transfer			(51,710)	-
Balance at 31 December 2019		1,000	(48,085,061)	149,999
Changes in equity				
Total comprehensive income		-	(5,586,186)	-
Transfer			762,642	-
Balance at 31 December 2020		1,000	(52,908,605)	149,999
	Other reserves £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2019	2,106,540	(39,610,780)	(340,978)	(39,951,758)
Changes in equity				
Total comprehensive income	-	(6,165,032)	(19,334)	(6,184,366)
Transfer	51,710	-	-	-
Balance at 31 December 2019	2,158,250	(45,775,812)	(360,312)	(46,136,124)
Changes in equity				
Total comprehensive income	-	(5,586,186)	(7,286)	(5,593,472)
Transfer	(762,642)	-	-	-
Balance at 31 December 2020	1,395,608	(51,361,998)	(367,598)	(51,729,596)

The notes form part of these financial statements

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Merger reserves £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2019</b>	1,000	(41,490,516)	149,999	(41,339,517)
<b>Changes in equity</b>				
Total comprehensive income	-	(5,161,151)	-	(5,161,151)
<b>Balance at 31 December 2019</b>	<u>1,000</u>	<u>(46,651,667)</u>	<u>149,999</u>	<u>(46,500,668)</u>
<b>Changes in equity</b>				
Total comprehensive income	-	(3,938,390)	-	(3,938,390)
<b>Balance at 31 December 2020</b>	<u>1,000</u>	<u>(50,590,057)</u>	<u>149,999</u>	<u>(50,439,058)</u>

The notes form part of these financial statements

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(1,001,746)	(747,584)
Interest paid		(390,485)	(485,703)
Government grants received		248,189	-
Net cash from operating activities		(1,144,042)	(1,233,287)
Cash flows from investing activities			
Purchase of tangible fixed assets		(40,391)	(14,667)
Purchase of investment property		(118,223)	(1,161,210)
Sale of investment property		-	752,403
Net cash from investing activities		(158,614)	(423,474)
Cash flows from financing activities			
New loans in year		950,000	2,035,950
Loan repayments in year		(373,684)	(538,944)
New shareholder loans in year		786,000	-
Shareholder loan repayments		(6,750)	-
Net cash from financing activities		1,355,566	1,497,006
Increase/(decrease) in cash and cash equivalents		52,910	(159,755)
Cash and cash equivalents at beginning of year	2	70,283	230,038
Cash and cash equivalents at end of year	2	123,193	70,283

The notes form part of these financial statements

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2020	2019
	£	£
Loss before taxation	(5,593,472)	(6,184,366)
Depreciation charges	954,800	1,034,556
Loss on disposal of fixed assets	-	95,097
Loss/(gain) on revaluation of fixed assets	785,401	(156,187)
Impairment losses	-	1,603,492
Share of results of joint venture	(350)	11,540
Write down of investment	30,000	-
Government grants	(248,189)	-
Finance costs	2,440,684	2,564,805
	<u>(1,631,126)</u>	<u>(1,031,063)</u>
Decrease in inventories	10,100	18,798
Decrease in trade and other debtors	446,089	207,008
Increase in trade and other creditors	173,191	57,673
	<u>(1,001,746)</u>	<u>(747,584)</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2020**

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>123,193</u>	<u>70,283</u>

**Year ended 31 December 2019**

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	<u>70,283</u>	<u>230,038</u>

The notes form part of these financial statements

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank and in hand	70,283	52,910	123,193
	<u>70,283</u>	<u>52,910</u>	<u>123,193</u>
<b>Debt</b>			
Debts falling due within 1 year	(9,279,012)	(530,247)	(9,809,259)
Debts falling due after 1 year	(61,431,630)	(2,875,517)	(64,307,147)
	<u>(70,710,642)</u>	<u>(3,405,764)</u>	<u>(74,116,406)</u>
<b>Total</b>	<u>(70,640,359)</u>	<u>(3,352,854)</u>	<u>(73,993,213)</u>

The notes form part of these financial statements

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. STATUTORY INFORMATION**

Natural Assets Investments Limited is a private company limited by shares, incorporated in England and Wales. The company's registered number is 07541643 and its registered office address is Suites 2g6, 2g8, 2g9, Glasshouse Alderley Park, Congleton Road, Nether Alderley, Macclesfield, England, SK10 4TG.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with 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.

**Going concern**

As part of its going concern review the board has prepared financial forecasts. In drawing up these forecasts the board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period. For the forecasted period, the Board took account of the support of the loan holder, the probability of bank facilities being renewed and an indicative view of trading performance, for their going concern review.

The group is currently still developing its portfolio and the statement of financial position showing net current liabilities of £13,161,356 (2019: £12,018,488) and net liabilities of £51,729,596 (2019: £46,136,124). While the majority of sites have now completed their development they are still some way from maturity in terms of net income generation and so the group has been reliant on support to cover its working capital requirements.

The group has support from the loan holder who is also the main shareholder. He is considered to have adequate capabilities to provide support as required and has formally confirmed that he will support the group for at least the next 12 months from the date of approval of the financial statements.

The directors have considered the impact of the global COVID-19 pandemic on the group and recognise that the future cannot be predicted with certainty. However, the directors expect the group to continue trading and believe that the group can manage the risks at these challenging times.

The current cash funding requirements prepared by management have given the directors a reasonable expectation that the group will have sufficient resources available to continue in operational existence for the foreseeable future, with the confirmed continued support of the loan holder as noted above. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

**Basis of consolidation**

The consolidated financial statements incorporate the results of Natural Assets Investments Limited and all of its material subsidiary undertakings as at 31 December 2020 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

A subsidiary is no longer consolidated when control is lost. The difference between any disposal proceeds and the carrying amount of the subsidiary's net assets (including related goodwill) is recognised in the income statement as a gain or loss on disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

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2. ACCOUNTING POLICIES - continued

**Critical accounting estimates and judgements**

In the application of the company's accounting policies, the directors are required to make estimates and judgements. The estimates are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The estimates are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Estimating the useful economic life of an asset and the anticipated residual value are considered key judgements in calculating an appropriate depreciation charge.

Making judgement on the valuation of investment properties.

Making judgement on the classification of properties.

Assessing the appropriateness of the going concern basis.

Estimating the useful economic life of goodwill.

**Revenue**

Revenue is recognised at the fair value of the consideration received or receivable for accommodation lettings, food and drink sales, and tourist attractions to external customers in the normal course of business. The fair value of consideration takes into account settlement discounts and volume rebates. Revenue is shown net of Value Added Tax.

Revenue from the sale of services is recognised as those services are provided. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on transfer of the goods.

**Goodwill**

Goodwill is capitalised and written off evenly over 6 to 8 years, as in the opinion of the directors, this represents the period over which goodwill is expected to give rise to economic benefits.

Negative goodwill arises when the cost of a business combination is less than the fair value of the identifiable assets, liabilities and contingent liabilities acquired. The amount up to the fair value of the non-monetary assets acquired is credited to profit or loss in the period in which those non-monetary assets are recovered. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to profit or loss in the periods expected to benefit of 20 years.

**Property, plant and equipment**

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

Improvements to property	- 3% on cost
Plant and machinery	- 33% on cost
Fixtures and fittings	- 33.3% on cost, 25% straight line and 20% straight line

Assets under development or in the course of construction are not depreciated.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the income statement when the change arises.

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Government grants**

Grant income in respect of COVID-19, including the Coronavirus Job Retention Scheme (CJRS), that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in income in the period in which it becomes receivable.

Other grant income received for redevelopment is released over the life of the assets it relates to.

**Investment property**

Investment properties are recognised at fair value. Changes in fair value are recognised in the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

**Inventories**

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

Cost is derived from purchase price. Net realisable value is based on estimated selling price less attributable costs of disposal.

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

**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost 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 income statement.

Basic financial liabilities are initially measured at transaction price and subsequently measured at amortised cost.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

**3. REVENUE**

The revenue and loss before taxation are attributable to the one principal activity of the group.

An analysis of revenue by class of business is given below:

	2020 £	2019 £
Rental income	1,098,473	1,316,676
Sales of goods	46,879	676,298
	<u>1,145,352</u>	<u>1,992,974</u>

All turnover has been generated within the United Kingdom in the current and prior year.

**4. EMPLOYEES AND DIRECTORS**

	2020 £	2019 £
Wages and salaries	211,842	580,290
Social security costs	17,665	27,274
Other pension costs	7,355	18,609
	<u>236,862</u>	<u>626,173</u>

The average number of employees during the year was as follows:

	2020	2019
Operational	17	20
Management	5	14
Administration	1	7
	<u>23</u>	<u>41</u>

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. EMPLOYEES AND DIRECTORS - continued**

	2020	2019
	£	£
Directors' remuneration	<u>-</u>	<u>88,000</u>

**5. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	121,134	200,891
Goodwill amortisation	844,260	844,260
Negative goodwill amortisation	(10,594)	(10,594)
Auditors' remuneration	26,700	26,700
Operating leases - land and buildings	37,500	92,000
Fair value (gains)/losses on investment properties	785,401	(156,187)
Government grants	<u>(248,189)</u>	<u>-</u>

**6. EXCEPTIONAL ITEMS**

	2020	2019
	£	£
Profit/(loss) on disposal of operations	<u>-</u>	<u>(5,052)</u>

During the prior year the group disposed of a joint venture, suffering a loss on disposal of £5,052.

**7. PROFIT/LOSS ON SALE OF INVESTMENT PROPERTIES**

	2020	2019
	£	£
Loss on sale of investment properties	<u>-</u>	<u>95,097</u>

**8. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
Bank loan interest	390,485	485,703
Other loan interest	2,050,199	2,079,102
	<u>2,440,684</u>	<u>2,564,805</u>

**9. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

9. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020 £	2019 £
Loss before tax	(5,593,472)	(6,184,366)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(1,062,760)	(1,175,030)
Effects of:		
Expenses not deductible for tax purposes	577,164	-
Income not taxable for tax purposes	139,304	793,119
Capital allowances in excess of depreciation	-	(72,598)
Adjustments to equalise deferred tax and corporation tax rates	-	(261,400)
Deferred tax not recognised	346,292	715,909
Total tax charge	-	-

Deferred tax is not recognised in respect of losses of £19,371,480 (2019: £17,630,489).

The finance bill 2021 has set out measures to maintain the corporation tax rate for financial years beginning 1 April 2021 and 2022. For financial years beginning after 1 April 2023, the corporation tax rate will be increased to 25% for profits over £250,000. A small profits rate (SPR) will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by marginal relief. The directors are not aware of any other factors that will materially affect the future tax charge.

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Negative goodwill £	Totals £
<b>COST</b>			
At 1 January 2020	9,315,900	(211,883)	9,104,017
Disposals	(757,119)	-	(757,119)
At 31 December 2020	8,558,781	(211,883)	8,346,898
<b>AMORTISATION</b>			
At 1 January 2020	6,601,824	(92,702)	6,509,122
Amortisation for year	844,260	(10,594)	833,666
Eliminated on disposal	(757,119)	-	(757,119)
At 31 December 2020	6,688,965	(103,296)	6,585,669
<b>NET BOOK VALUE</b>			
At 31 December 2020	1,869,816	(108,587)	1,761,229
At 31 December 2019	2,714,076	(119,181)	2,594,895

12. PROPERTY, PLANT AND EQUIPMENT

Group

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2020	262,338	166,248	2,597,973	3,026,559
Additions	12,014	-	28,377	40,391
Disposals	-	(140,152)	(1,957,336)	(2,097,488)
At 31 December 2020	274,352	26,096	669,014	969,462
<b>DEPRECIATION</b>				
At 1 January 2020	26,226	157,730	2,322,337	2,506,293
Charge for year	31,140	5,185	84,809	121,134
Eliminated on disposal	-	(140,152)	(1,957,336)	(2,097,488)
At 31 December 2020	57,366	22,763	449,810	529,939
<b>NET BOOK VALUE</b>				
At 31 December 2020	216,986	3,333	219,204	439,523
At 31 December 2019	236,112	8,518	275,636	520,266

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

12. PROPERTY, PLANT AND EQUIPMENT - continued

Company

	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2020	166,248	107,676	273,924
Disposals	(140,152)	(78,402)	(218,554)
At 31 December 2020	26,096	29,274	55,370
<b>DEPRECIATION</b>			
At 1 January 2020	157,730	97,303	255,033
Charge for year	5,185	10,373	15,558
Eliminated on disposal	(140,152)	(78,402)	(218,554)
At 31 December 2020	22,763	29,274	52,037
<b>NET BOOK VALUE</b>			
At 31 December 2020	3,333	-	3,333
At 31 December 2019	8,518	10,373	18,891

13. FIXED ASSET INVESTMENTS

Group

	Interest in joint venture £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 January 2020	(35,145)	30,000	(5,145)
Share of profit/(loss)	350	-	350
Impairments	-	(30,000)	(30,000)
At 31 December 2020	(34,795)	-	(34,795)
<b>NET BOOK VALUE</b>			
At 31 December 2020	(34,795)	-	(34,795)
At 31 December 2019	(35,145)	30,000	(5,145)

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**13. FIXED ASSET INVESTMENTS - continued**

<b>Company</b>	<b>Shares in group undertakings £</b>	<b>Unlisted investments £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 January 2020	200,055	30,000	230,055
Impairments	-	(30,000)	(30,000)
At 31 December 2020	200,055	-	200,055
<b>NET BOOK VALUE</b>			
At 31 December 2020	200,055	-	200,055
At 31 December 2019	200,055	30,000	230,055

**Subsidiary undertakings**

<b>Name</b>	<b>Registered office</b>	<b>Holding</b>	<b>Nature of business</b>
Trewhiddle Village Limited	Note 1	100% ordinary	Holiday lettings
Natural Land 3 Limited	Note 1	100% ordinary	Holiday lettings
North York Moors Limited	Note 1	100% ordinary	Property development
John O'Groats Highland Limited	Note 1	100% ordinary	Holding company
NA Lews Castle Limited	Note 1	100% ordinary	Holiday lettings
Yorkshire Dales Limited	Note 1	100% ordinary	Holiday lettings
Natural Outfitters Limited	Note 1	100% ordinary	Retail services

John O'Groats Highland Limited has the following subsidiary:

JOG Highlands LLP	Note 1	86% member	Holiday lettings
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Natural Land 3 has the following subsidiaries:

NL3 Cottages Management Limited	Note 1	100% ordinary	Property management
Natural Land 3 Management Limited	Note 1	100% ordinary	Dormant

Trewhiddle Village Limited has the following subsidiary:

TW Management Ltd	Note 1	100% ordinary	Property management
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Yorkshire Dales Limited has the following subsidiary:

YD Management Ltd	Note 1	100% ordinary	Property management
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**Joint ventures**

<b>Name</b>	<b>Registered office</b>	<b>Holding</b>	<b>Nature of business</b>
Jog 2 Limited	Note 2	50% ordinary	Land ownership

NL3 Cottages Management Limited and Natural Land 3 Management Limited are not consolidated within these financial statements on the grounds of materiality.

Note 1: Suites 2g6, 2g8, 2g9, Glasshouse Alderley Park, Congleton Road, Nether Alderley, Macclesfield, England, SK10 4TG

Note 2: 5th Floor 88 Church Street, Liverpool, England, L1 3HD

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. INVESTMENT PROPERTY**

**Group**

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1 January 2020	25,758,428
Additions	118,223
Revaluations	(785,401)
At 31 December 2020	<u>25,091,250</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>25,091,250</u>
At 31 December 2019	<u>25,758,428</u>

Investment properties have been valued at open market value by the directors at 31 December 2020. The historic cost of investment properties is £26,751,265 (2019: £26,633,042).

The group is required to remit 50% of the sales proceeds received from the sale of any investment properties directly to HSBC in repayment of the outstanding loan.

**15. INVENTORIES**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Inventories	<u>23,301</u>	<u>33,401</u>

**16. DEBTORS**

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	28,181	62,002	2,268	43,954
Amounts owed by participating interests	-	-	59,994	-
Amounts owed by associates	204,521	195,782	-	-
Other debtors	165,726	480,462	41,269	380,478
VAT	54,377	47,884	15,955	21,113
Prepayments	98,049	173,313	72,344	94,599
	<u>550,854</u>	<u>959,443</u>	<u>191,830</u>	<u>540,144</u>

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

16. DEBTORS - continued

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	19,507,007	19,832,022
Other debtors	-	37,500	-	-
	-	37,500	19,507,007	19,832,022
Aggregate amounts	550,854	996,943	19,698,837	20,372,166

Amounts owed to group undertakings have no fixed terms of repayment but a minimum of twelve months notice will be given.

**Company**

An impairment loss of £423,713 (2019: £2,260,771) was recognised during the year against amounts due from group undertakings.

An impairment loss of £850,000 (2019: £nil) was recognised during the year against other debtors.

**Group**

An impairment loss of £850,000 (2019: £161,811) was recognised during the year against other debtors.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 19)	9,809,259	9,279,012	9,759,259	9,279,012
Trade creditors	431,264	607,961	27,599	29,915
Amounts owed to participating interests	248,151	-	-	-
Social security and other taxes	7,119	6,278	-	-
Other creditors	3,206,390	3,122,612	18,149	6,363
Accrued expenses	156,521	103,252	42,582	16,390
	13,858,704	13,119,115	9,847,589	9,331,680

Interest is charged on the bank loans at various rates ranging from 2.5% to 4.5% above the base rate. Interest charged during the year amounted to £390,485 (2020: £485,703).



NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans (see note 19)	46,069	-	46,069	-
Other loans (see note 19)	64,261,078	61,431,630	60,509,770	57,839,061
Deferred government grants	1,518,300	1,554,450	-	-
	<u>65,825,447</u>	<u>62,986,080</u>	<u>60,555,839</u>	<u>57,839,061</u>

Government grants relate to a development grant received from Highlands and Islands Enterprise for development costs at John O'Groats, Scotland. The grant is repayable if any property is sold within 10 years from the date of the last payment.

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>9,809,259</u>	<u>9,279,012</u>	<u>9,759,259</u>	<u>9,279,012</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	9,605	-	9,605	-
Other loans - 1-2 years	<u>64,261,078</u>	<u>-</u>	<u>60,509,770</u>	<u>-</u>
	<u>64,270,683</u>	<u>-</u>	<u>60,519,375</u>	<u>-</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	30,297	-	30,297	-
Other loans - 2-5 years	-	61,431,630	-	57,839,061
	<u>30,297</u>	<u>61,431,630</u>	<u>30,297</u>	<u>57,839,061</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>6,167</u>	<u>-</u>	<u>6,167</u>	<u>-</u>

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Group**

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	-	50,000
Between one and five years	-	200,000
In more than five years	-	470,833
		<u>720,833</u>

**21. SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	2020	2019
	£	£
Bank loans	9,855,328	9,279,012
Other loans	3,751,308	3,592,569
	<u>13,606,636</u>	<u>12,871,581</u>

Bank loans are secured by way of a fixed charge over investment properties.

Other loans are secured by way of a debenture over the assets of a subsidiary company, Jog Highlands LLP.

**22. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2020	2019
			£	£
600	Ordinary A	£1	600	600
400	Ordinary B	£1	400	400
			<u>1,000</u>	<u>1,000</u>

The Company's A and B ordinary shares, which carry no right to fixed income, are ranked equally and each carry the right to one vote at general meetings of the company.

NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

23. RESERVES

**Group**

The following describes the nature and purpose of each reserve within equity:

Retained earnings	All other net gains and losses and transactions with owners not recognised elsewhere.
Merger reserve	The difference between the value of shares issued by the parent company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries.
Other reserves	The non distributable portion of retained earnings in respect of revaluations on investment properties.

**Company**

The following describes the nature and purpose of each reserve within equity:

Retained earnings	All other net gains and losses and transactions with owners not recognised elsewhere.
Merger reserve	The difference between the value of shares issued by the company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries.

24. CONTINGENT LIABILITIES

A claim has been lodged against Natural Assets Investments Limited in respect of alleged damages caused by a former subsidiary undertaking for a breach of the company's guaranteed obligations. This claim is at an early stage and the directors have obtained legal advice and have requested but not yet received all of the additional information to substantiate the claim. The directors will be defending the action and as at the date of signing these financial statements are of the view that no material losses will arise in respect of this legal claim.

25. OTHER FINANCIAL COMMITMENTS

Natural Assets Investments Limited has entered into a composite company unlimited multilateral guarantee with the following group companies: North York Moors Limited, Trewiddle Village Limited, Yorkshire Dales Limited, Natural Land 1 LLP, John O'Groats Highlands Limited, Natural Land 3 Limited, NA Lews Castle Limited and Natural Outfitters Limited. At 31 December 2020 the total borrowings covered by the guarantee amounted to £9,855,328 (2019: £9,279,012).

26. RELATED PARTY DISCLOSURES

Natural Assets Investments Limited has given a guarantee under section 479C of the Companies act 2006. The following subsidiaries included in these consolidated accounts, are therefore, exempt from the requirements of this Act relating to the audit of individual accounts by virtue of Section 479A: JOG 2 Limited.

**Entities with control, joint control or significant influence over the entity**

	2020	2019
	£	£
Sales	83,423	1,143,983
Purchases	56,339	738,125
Amount due from related party	-	44,661
Amount due to related party	248,151	160,183

**NATURAL ASSETS INVESTMENTS LIMITED (REGISTERED NUMBER: 07541643)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**26. RELATED PARTY DISCLOSURES - continued**

**Entities that provide key management personnel services to the entity**

	2020	2019
	£	£
Sales	-	1,164
Purchases	-	88,000
Amount due from related party	-	88,583

**Other related parties**

**D Gorton**

D Gorton is the majority shareholder of the group, the ultimate controlling party and a director.

Included within creditors falling due within one year is an amount of £3,100,000 (2019: £3,100,000) loaned to Natural Land 3 Limited from D Gorton. This loan is unsecured, interest free and repayable on demand.

Included within creditors falling due after one year is an amount of £3,751,308 (2019: £3,592,569) loaned to JOG Highlands LLP from D Gorton. This loan is secured by way of debenture over the assets of the LLP and interest is charged at 4.5% above LIBOR. The amount is repayable in full on 11 June 2022.

Included within creditors due after one year is an amount of £60,509,770 (2019: £57,839,061) loaned to Natural Assets Investments Limited from D Gorton. This loan is unsecured and interest is charged at various rates between 0% and 10%. The loan has an indeterminate repayment date, with a minimum of 12 months notice required for repayment.

During the year interest amounting to £2,050,199 (2019: £2,079,102) was charged by D Gorton.

There was no key management personnel compensation during the year.

**27. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is D Gorton, the majority shareholder of the company.