

PORTMAN BURTLEY ESTATE COMPANY LIMITED

REGISTERED NUMBER: 554747

**ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2019**



PORTMAN BURTLEY ESTATE COMPANY LIMITED

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PORTMAN BURTLEY ESTATE COMPANY LIMITED

Company Information

Directors	J M Wythe O B K Fenn-Smith (appointed 25 May 2018) M M Jones (appointed 25 May 2018)
Secretary	K G Balderson
Registered Office	The Portman Estate Ground Floor, 40 Portman Square London W1H 6LT
Bankers	Coutts & Co St Martins Office 440 Strand London WC2R 0QS
Auditor	Nexia Smith & Williamson 25 Moorgate London EC2R 6AY

PORTMAN BURTLEY ESTATE COMPANY LIMITED

DIRECTORS' REPORT

The directors present their report for the year ended 5 April 2019.

Principal activities

The principal activities of the Company are concerned with farming and forestry.

Review of the business

The farm business recorded a loss for the year. The timber and forestry business recorded a profit. The directors consider the long-term prospects to be satisfactory.

Results and dividend

The Company's financial performance and financial position are set out on pages 7 and 8. The directors do not recommend the payment of a dividend for the financial year (2018: £Nil).

Directors and their interests

The directors who served the Company during the financial year and up to the date of signing the financial statements are as follows:

W H Moore CBE (resigned 25 May 2018)

J M Wythe

O B K Fenn-Smith (appointed 25 May 2018)

M M Jones (appointed 25 May 2018)

Disclosure of information to auditor

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant audit information of which the company's auditor was unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditor was aware of that information.

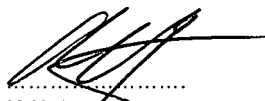
This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor


Nexia Smith & Williamson were appointed auditors to the company and in accordance with Section 485 of the Companies Act 2006, a resolution proposing that they will be re-appointed will be put at a General Meeting.

Approval

The report of the directors was approved by the Board on 24 July 2019 and signed on its behalf by:-



M M Jones
Director



O B K Fenn-Smith
Director

Registered office:
The Portman Estate
Ground Floor, 40 Portman Square
London W1H 6LT

PORTMAN BURTLEY ESTATE COMPANY LIMITED

DIRECTORS' REPORT

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTMAN BURTLEY ESTATE COMPANY LIMITED

Opinion

We have audited the financial statements of Portman Burtley Estate Company Limited (the 'company') for the year ended 5 April 2019 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 5 April 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTMAN BURTLEY ESTATE COMPANY LIMITED

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Sancho Simmonds
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
25 Moorgate
London
EC2R 6AY

13 AUGUST 2019

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME for the year ended 5 APRIL 2019

The notes on pages 11 to 21 form part of these financial statements.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

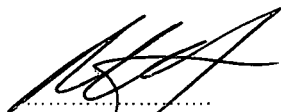
BALANCE SHEET at 5 APRIL 2019

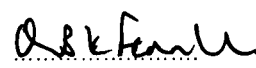
			Restated
	<i>Note</i>	2019	2018
		£'000	£'000
Fixed assets			
Tangible fixed assets	8	199	217
Biological assets	9	3,494	3,390
		<u>3,693</u>	<u>3,607</u>
Current assets			
Biological assets	9	247	271
Stock	10	44	66
Debtors	11	208	126
Cash at bank and in hand		104	96
		<u>603</u>	<u>559</u>
Creditors: amounts falling due within one year	12	(177)	(88)
		<u>426</u>	<u>471</u>
Net current assets			
		<u>4,119</u>	<u>4,078</u>
Total assets less current liabilities			
		<u>4,119</u>	<u>4,078</u>
Net assets		<u>4,119</u>	<u>4,078</u>
Capital and reserves			
Called up share capital	13	-	-
Capital contribution		1,245	1,245
Profit and loss account		(744)	(722)
Other reserve	15	3,618	3,555
		<u>4,119</u>	<u>4,078</u>
Shareholder's funds		<u>4,119</u>	<u>4,078</u>

The notes on pages 11 to 21 form part of these financial statements.

The accounts were approved by the Board on

24 July 2019 and signed on its behalf by:


M M Jones
 Director


O B K Fenn-Smith
 Director

Company registered number: 554747

PORTMAN BURTLEY ESTATE COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY for the year ended 5 APRIL 2019

	Called up Share capital £'000	Capital contribution £'000	Profit and loss account £'000	Other reserve £'000	Total £'000
Balance at 6 April 2017 (as previously reported)	-	1,245	(291)	2,235	3,189
Prior period adjustment (see note 21)	-	-	(393)	858	465
Balance at 6 April 2017 (restated)	-	1,245	(684)	3,093	3,654
Total comprehensive income for the year					
Profit/(loss) for the year	-	-	(285)	709	424
Transfer to profit and loss account - realisation of biological asset gains	-	-	(285)	709	424
Balance at 5 April 2018	-	1,245	(722)	3,555	4,078
Balance at 6 April 2018	-	1,245	(722)	3,555	4,078
Total comprehensive income for the year					
(Loss)/profit for the year	-	-	(370)	411	41
Transfer to profit and loss account - realisation of biological asset gains	-	-	(370)	411	41
Balance at 5 April 2019	-	1,245	(744)	3,618	4,119

The notes on pages 10 to 21 form an integral part of these financial statements

PORTMAN BURTLEY ESTATE COMPANY LIMITED

STATEMENT OF CASH FLOWS for the year ended 5 APRIL 2019

	2019 £'000	Restated 2018 £'000
Cash flows from operating activities		
Profit for the year	41	424
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	49	54
Gains on sale of tangible fixed assets	(1)	(3)
Revaluation of biological assets	(411)	(709)
	(322)	(234)
Decrease in biological assets (excluding revaluation)	331	263
Decrease / (Increase) in stock	22	(3)
(Increase) in debtors	(82)	(76)
Increase / (Decrease) in creditors (excluding related party)	97	(531)
Net cash inflow/(outflow) from operating activities (A)	46	(581)
Cash flows from investing activities		
Purchase of tangible fixed assets	(31)	(79)
Sale of tangible fixed assets	1	32
Net cash outflow from investing activities (B)	(30)	(47)
Cash flows from financing activities		
Loans paid	(8)	-
Net cash outflow from financing activities (C)	(8)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	8	(628)
Cash and cash equivalents at the beginning of the year	96	724
Cash and cash equivalents at the end of the year	104	96

The notes on pages 11 to 21 form an integral part of these financial statements

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019

1. General information

Portman Burtley Estate Company Limited (the "Company") is a company limited by shares incorporated in England and Wales. The registered office is Ground Floor, 40 Portman Square, London, W1H 6LT. The principal place of business is Abbey Park Farm, Abbey Park Lane, Burnham, Slough, SL1 8PH.

2. Accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the provisions of FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as issued in September 2015. The presentation currency of these financial statements is sterling.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 20.

2.2 Measurement convention

These financial statements have been prepared on the historical cost basis except for certain biological assets that are stated at fair value.

2.3 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate.

2.4 Revenue recognition

Turnover represents sale proceeds net of value added tax from farming products, livestock and timber, gross rents receivable and grant income. The Company classifies its grants as relating to revenue and its income is accounted for based on the accrual model.

2.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is provided on property improvements, plant, equipment, motor vehicles and tractors on a reducing balance basis at a rate of 20% per annum.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

2.6 Biological assets

Biological assets comprise standing timber, livestock and growing crops. The biological assets are recognised under the cost or fair value model as follows:

Standing timber	- Fair value
Livestock	- Fair value
Growing crops	- Cost

Changes in the fair value of the biological assets are recognised in the profit and loss account, and transferred to other reserves.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

2. Accounting policies (continued)

2.7 Stock

Stock comprises farm stock and includes hay, silage, fertilisers and stores. Stock is stated at the lower of cost or net realisable value.

2.8 Classification of financial instruments issued by the Company

In accordance with FRS 102 Section 22, financial instruments issued by the Company are treated as equity (taken to be the total of all reserves) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or, is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital exclude amounts in relation to those shares.

2.9 Basic financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price (normally the invoiced amount) less / plus attributable transaction costs (if any).

Subsequently they are measured at amortised cost (if the impact of discounting is significant, using the effective interest method, less any impairment losses in the case of trade debtors).

Interest bearing borrowings classified as basic financial instruments

Interest-bearing borrowings, including those to other Portman Trusts, are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand (i.e. cash and cash equivalents) comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

2. Accounting policies (continued)

2.10 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non financial assets

The carrying amounts of the Company's non-financial assets, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

2. Accounting policies (continued)

2.11 Employee benefits - post retirement benefits

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

2.12 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity (taken to be the total of all reserves) or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the relevant corporation and capital gains tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is recognised for the fair value movements in biological assets. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using the corporation tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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.

2.13 Dividends on shares presented within shareholder's funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2.14 Reserves

Capital contribution

Includes cash injections made by the Company's parent, which have no legal obligation to be repaid.

Profit and loss account

Includes all amounts included in the profit and loss, other than those items treated as other reserves as described in the note below.

Other reserve

All fair value and related deferred tax movements, recorded in profit and loss but not yet realised, on items such as biological assets, are treated as other reserve items.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

3. Turnover

	2019	2018
	£'000	£'000
<i>By activity:</i>		
Livestock	166	257
Grants	145	119
Other	76	91
Timber and forestry	190	61
Total	<u>577</u>	<u>528</u>
<i>By geographical market:</i>		
UK	577	528
Total	<u>577</u>	<u>528</u>

4. Expenses and auditor's remuneration

	2019	As restated
	£'000	£'000
<i>Direct costs</i>		
Cost of sales - farm	429	447
Cost of sales - forestry	177	53
	<u>606</u>	<u>500</u>

	2019	2018
	£000	£000
<i>Other operating costs</i>		
Staff costs - salaries, social security & pension	73	81
Management charge	46	34
Professional fees & charges	23	10
Rent, rates & insurance	17	34
Repairs, maintenance & running expenses	89	64
Forestry maintenance	24	23
Office expenses	21	16
Depreciation	49	54
	<u>342</u>	<u>316</u>

	2019	2018
	£000	£000
<i>Auditor's remuneration</i>		
Audit of these financial statements - current Auditor	5	-
Audit of last year's financial statements - previous Auditor	-	5
	<u>5</u>	<u>5</u>

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

5. Staff numbers and costs, including Directors

The average number of people jointly employed by the company during the year was 2 (2018: 2), all of whom were engaged in agricultural work.

The costs in respect of these employees, including directors, were:

	2019 £'000	2018 £'000
Wages and salaries	61	68
Social security costs	6	7
Pension expense	5	6
Other	1	-
	<u>73</u>	<u>81</u>

6. Director's remuneration

None of the Directors received any emoluments during the year (2018: £Nil).

In the opinion of the Directors there are no key management personnel other than the Directors.

7. Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity.

	2019 £'000	As restated 2018 £'000
Total tax charge	<u>-</u>	<u>-</u>

The total taxation charge for the year is recognised in the profit and loss. No amounts are recognised in other comprehensive income or equity.

	2019 £'000	As restated 2018 £'000
Reconciliation of total tax charge		
(Loss) / Profit for the year	41	424
Total tax charge	-	-
Profit excluding taxation	<u>41</u>	<u>424</u>
Tax using the UK corporation tax rate of 19% (2018: 19%)	8	81
Fair value movements not subject to tax	(43)	(78)
Forestry operations not subject to tax	2	(7)
Losses carried forward	24	-
Capital allowances claimed	-	(6)
Expenses non deductible - Depreciation	9	10
Total tax expense included in profit and loss	<u>-</u>	<u>-</u>

The Company has carried forward trading losses of £381,583 (2018: £255,757). A deferred tax asset of £72,501 (2018: £49,594) has not been recognised at the balance sheet date as the Company is not certain when a trading profit will be made to utilise these losses.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

8. Tangible fixed assets

	Property improvements	Plant and equipment	Motor vehicles and tractors	Total
	£'000	£'000	£'000	£'000
Cost				
Balance at 6 April 2018	95	180	226	501
Additions	-	31	-	31
Disposals	-	(2)	-	(2)
Balance at 5 April 2019	95	209	226	530
Depreciation and impairment				
Balance at 6 April 2018	69	115	100	284
Depreciation charge for the year	5	19	25	49
Disposals	-	(2)	-	(2)
Balance at 5 April 2019	74	132	125	331
Net book value				
At 5 April 2019	21	77	101	199
At 5 April 2018	26	65	126	217

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

9. Biological assets

	Standing timber	Livestock	Growing crops	Total
	£'000	£'000	£'000	£'000
Balance at 6 April 2018	3,199	461	1	3,661
Purchases	-	11	24	35
Sales	(177)	(123)	-	(300)
Harvest	-	-	(1)	(1)
Other movements	-	(65)	-	(65)
Changes in fair value	229	182	-	411
Balance at 5 April 2019	3,251	466	24	3,741

Standing timber and livestock held for production, breeding bulls and cows, are included in fixed assets. All other biological assets are considered current assets.

	2019 £'000	As restated 2018 £'000
Fixed biological assets	3,494	3,390
Current biological assets	247	271
	<u>3,741</u>	<u>3,661</u>

The standing timber was valued on the basis of fair value, in accordance with the requirements of the Royal Institution of Chartered Surveyors - Global Standards 2017 (incorporating the International Valuation Standards) incorporating the UK national supplement effective from 14th January 2019.

The livestock was valued on the basis of fair value, in accordance with the requirements of the Central Association of Agricultural Valuers and Royal Institution of Chartered Surveyors Statements of Standard Accounting Practice Numbers 2 and 9.

The valuations as at 5 April 2019 were carried out by Savills.

The methods and significant assumptions applied in determining the fair value of standing timber is provided in note 20.

10. Stock

	2019 £'000	As restated 2018 £'000
Farm stock	44	66

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

11. Debtors

	2019	2018
	£'000	£'000
Trade debtors	144	-
Other debtors	-	63
Prepayments and accrued income	64	63
	<hr/>	<hr/>
	208	126
	<hr/>	<hr/>

12. Creditors: amounts falling due within one year

	2019	2018
	£'000	£'000
Amounts due to related parties (note 17)	-	8
Rents charged in advance	4	4
Other creditors	125	27
Other taxes and social security	14	8
Accruals and deferred income	34	41
	<hr/>	<hr/>
	177	88
	<hr/>	<hr/>

13. Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

14. Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2019	As restated
	£'000	2018
		£'000
Cash at bank in hand	104	96
Assets measured at amortised cost	161	123
Liabilities measured at amortised cost	156	76
	<hr/>	<hr/>

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

15. Other Reserve

	2019	As restated 2018
	£'000	£'000
Surplus on revaluation of standing timber	3,226	3,172
Surplus on revaluation of livestock	392	383
	<u>3,618</u>	<u>3,555</u>

16. Contingencies

The Company did not have any contingent liabilities at the balance sheet date.

17. Related parties

Balances with related parties

	2019	2018
	£'000	£'000
Amounts due to related undertakings included in creditors:		
Portman Settled Estates Limited	-	8
	<u>-</u>	<u>8</u>

18. Ultimate controlling parties

In the opinion of the Directors the Company has no ultimate controlling party.

19. Prior year adjustment

Biological assets

The biological assets, as set out in note 9, were incorrectly accounted for in the prior year accounts. This amount was deemed material, and a correction to the comparative amounts has been made. The impact of this adjustment at 6 April 2017, is to increase the other reserve by £333,000 and to reduce the profit and loss account by £333,000. There is no impact to the net assets of the company at 6 April 2017. The impact of this adjustment for the year ended 5 April 2018, is to increase both direct costs and fair value movement on biological assets by £297,000. There is no net impact to the profit in the year ended 5 April 2018 and the net assets at 5 April 2018.

Deferred tax

Deferred tax was incorrectly provided on the fair value of biological assets, specifically standing timber, in the prior year accounts. This amount was deemed material, and a correction to the comparative amount has been made. In addition to this an adjustment to deferred tax on trading losses was reversed as there was no longer a deferred tax liability against which to offset this and there is no immediate prospect of these trading losses being utilised. The impact of this adjustment at 6 April 2017, is to increase the other reserve and net assets by £465,000. The impact of this adjustment for the year ended 5 April 2018, is to increase profit in the year by £69,000. The net impact is to increase the reported net assets at 5 April 2018 by £534,000.

PORTMAN BURTLEY ESTATE COMPANY LIMITED

NOTES TO THE ACCOUNTS for the year ended 5 APRIL 2019 (continued)

20. Critical accounting judgements and key estimations of 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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Standing Timber

The valuation of the standing timber is inherently subjective due to, among other factors, the individual nature of the land, its location and the expected future revenues. As a result, the valuations the Company places on its standing timber are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the market.

The Company's standing timber was valued on the basis of fair value, in accordance with the requirements of the Royal Institution of Chartered Surveyors - Global Standards 2017 (incorporating the International Valuation Standards) incorporating the UK national supplement effective from 14th January 2019. However, if any assumptions made by the valuer prove to be inaccurate, this may mean that the value of the Company's standing timber differs from their valuation, which could have a

Livestock

The valuation of the livestock is subjective due factors such as, the age, breed and genetic merit of the livestock. As a result, the valuations the Company places on its livestock are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate.

The Company's livestock was valued on the basis of fair value, in accordance with the requirements of the Central Association of Agricultural Valuers and Royal Institution of Chartered Surveyors Statements of Standard Accounting Practice Numbers 2 and 9. However, if any assumptions made by the valuer prove to be inaccurate, this may mean that the value of the Company's standing timber differs from their valuation, which could have a material effect on the Company's financial condition.