

Company Registration No. SC106761 (Scotland)

HAMILTON AND KINNEIL ESTATES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020
PAGES FOR FILING WITH REGISTRAR

HAMILTON AND KINNEIL ESTATES LIMITED

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HAMILTON AND KINNEIL ESTATES LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3	458,992		449,361	
Investment properties	4	3,005,791		3,060,065	
			<u>3,464,783</u>		<u>3,509,426</u>
Current assets					
Stocks		580,848		580,848	
Debtors	5	13,800		37,928	
Cash at bank and in hand		144,032		43,187	
		<u>738,680</u>		<u>661,963</u>	
Creditors: amounts falling due within one year	6	<u>(885,008)</u>		<u>(1,063,969)</u>	
Net current liabilities			<u>(146,328)</u>		<u>(402,006)</u>
Total assets less current liabilities			<u>3,318,455</u>		<u>3,107,420</u>
Capital and reserves					
Called up share capital	7	2,000		2,000	
Share premium account		571,154		571,154	
Other reserves - non-distributable		715,953		774,227	
Profit and loss reserves		<u>2,029,348</u>		<u>1,760,039</u>	
Total equity			<u>3,318,455</u>		<u>3,107,420</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 30 July 2021 and are signed on its behalf by:

Ken Brown
Director

Company Registration No. SC106761

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

Company information

Hamilton and Kinneil Estates Limited is a private company limited by shares incorporated in Scotland. The registered office is Lennoxlove Estate Office, Lennoxlove, Haddington, East Lothian, United Kingdom, EH41 4NZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has generated a profit and, despite the current economic situation, are forecasting the company to generate profits moving forwards.

The directors are aware of the COVID-19 pandemic and the difficulties in predicting the impact that this will have on the UK economy but due to the nature company's operations, they consider that the company's operations have not been impacted severely to date.

Although it is not possible to reliably estimate the length or severity of the outbreak, at the date of signing these financial statements the company has significant cash reserves, the support of its parent company and is continuing to trade. The directors are actively managing the business on a day to day basis taking account of all changes in market conditions and government support and interventions.

The directors consider that the current financial position of the company will ensure that the company will continue in operational existence for the foreseeable future and they therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the amounts of rents, feu duties charges and sums received in respect of the sale or waiver of rights. Turnover is stated net of VAT.

1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10% - 25% straight line
Motor vehicles	25% reducing balance

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Land and buildings and moveable property are reviewed annually for impairment. the directors are of the opinion that their useful economic lives and residual values are such that any depreciation would not be material.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.8 Cash at bank and in hand

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

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

(Continued)

Deferred tax

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

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

1.12 Exceptional items

The company defines any individual items of income or expense as an exceptional item where the size or incidence is considered to be material to the understanding of the financial statements. In such cases the amount and nature of the exceptional item will be disclosed either on the profit and loss account, or within the notes to the accounts depending on the size and nature of the exceptional item.

2 Employees

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

	2020 Number	2019 Number
Total	2	2
	<u> </u>	<u> </u>

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 November 2019	386,620	198,936	585,556
Additions	10,189	-	10,189
At 31 October 2020	396,809	198,936	595,745
Depreciation and impairment			
At 1 November 2019	-	136,195	136,195
Depreciation charged in the year	-	558	558
At 31 October 2020	-	136,753	136,753
Carrying amount			
At 31 October 2020	396,809	62,183	458,992
At 31 October 2019	386,620	62,741	449,361

4 Investment property

	2020 £
Fair value	
At 1 November 2019	3,060,065
Additions	4,000
Revaluations	(58,274)
At 31 October 2020	3,005,791

Investment properties were valued at open market value in June 2021 by Savills. Whilst these valuations were completed after the year end, the directors were of the opinion that they represented changes to the property market to October 2020 and they were therefore used by the directors to value the properties at the current year end.

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	4,504	5,922
Other debtors	9,296	32,006
	13,800	37,928

HAMILTON AND KINNEIL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	8,095	19,205
Amounts owed to group undertakings	827,367	1,028,954
Corporation tax	27,148	2,186
Other creditors	22,398	13,624
	<u>885,008</u>	<u>1,063,969</u>

7 Called up share capital

	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of 50p each	<u>4,000</u>	<u>4,000</u>	<u>2,000</u>	<u>2,000</u>

8 Audit report information

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

The auditor's report was unqualified.

The senior statutory auditor was Paul Hutchison BSc ACA.

The auditor was Azets Audit Services.

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