

Company registration number SC105107 (Scotland)

BADBEA CROFTERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

A9 Accountancy Limited
Chartered Accountants
Elm House
Cradlehall Business Park
Inverness
United Kingdom
IV2 5GH

BADBEA CROFTERS LIMITED

COMPANY INFORMATION

Directors	Mr J Murray Mrs J Murray Mr G Murray Mr H Murray Mrs A Mackenzie Mr A Mackenzie
Secretary	Mrs J Murray
Company number	SC105107
Registered office	Dornoch Road Bonar Bridge IV24 3EB
Auditor	A9 Accountancy Limited Elm House Cradlehall Business Park Inverness United Kingdom IV2 5GH

BADBEA CROFTERS LIMITED

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BADBEA CROFTERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present the strategic report for the year ended 30 April 2023.

Principal activities

The principal activity of the company continued to be that of a holding company. The principal activities of the group are the commercial rearing of smolts and the provision of transport services to the aquaculture industry. There have not been any significant changes in the group's principal activities during the year under review.

Review of the business

As shown in the group statement of comprehensive income, this has been another successful year for the group with a further increase in the net asset position. Underlying trading profit has been successful for the transport business.

The wellboat's operated by the company have continued to trade successfully during the year, the trucks have also produced a better financial result due to increased activity. The smolt business had a less successful year due to the smaller number of fish sold and increased costs.

The group has had a slow start to trade in the first couple of months due to delays with the wellboat's completing their annual maintenance, but business is again very busy, and expectations are for another successful year.

Principal risks and uncertainties

The principal risks and uncertainties facing the group are broadly as follows:

Business risk: The management of the business and out strategy are, like any business, subject to a few risks. These include competition from other fish transport operators, fluctuations in fish food and fuel costs and the effects on the fish farming industry from external matters.

Liquidity risks: The group maintains a cautious cash management policy and is confident of being able to continue servicing its bank loans in line with agreed repayment profiles. Liquidity does not pose a risk to the group.

Interest rate risk: Interest rates are not considered to pose a significant risk to the group and the group has in place an interest rate swap regarding part of its borrowing to protect against any unforeseen movements in interest rates.

Credit risk: The groups policy is to minimize exposures to losses of defaulting customers. A robust credit control policy is operated to minimize exposure to customers where there have been incidences of an imperfect collection history.

Key performance indicators

The group monitors business performance of its different segments, specifically wellboat's and road transport (transport services up 21.06%) and smolt production (sales up 7.93%) through monthly reporting of results. We use a variety KPI's to monitor and drive the performance of the business, in addition to sales profit and free cash. These include gross profit percentage (up 11.41%), with group cash and cash equivalents increasing during the year by £2.43 million.

Future developments

As indicated above the directors are pleased with business during the first months of the financial year and of the anticipated outcome for the remainder of the year. The wellboat and smolt business have performed well and the group intends to continue to invest in these businesses should attractive opportunities arise.

BADBEA CROFTERS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023

On behalf of the board

Mr H Murray
Director

29 August 2023

BADBEA CROFTERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present their annual report and financial statements for the year ended 30 April 2023.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £220,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Reverend A Murray

(Deceased 11 December 2022)

Mr J Murray

Mrs J Murray

Mr G Murray

Mr H Murray

Mrs A Mackenzie

Mr A Mackenzie

Auditor

The auditors A9 Accountancy Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

BADBEA CROFTERS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Strategic report

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

On behalf of the board

Mr H Murray
Director

29 August 2023

BADBEA CROFTERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BADBEA CROFTERS LIMITED

Opinion

We have audited the financial statements of Badbea Crofters Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2023 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 30 April 2023 and of the group's 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 group and parent 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

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 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 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 contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

BADBEA CROFTERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF BADBEA CROFTERS 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement, 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 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 parent 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.

Extent to which our procedures are capable of detecting irregularities, including fraud

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- United Kingdom Generally Accepted Accounting Practice
- Companies Act 2006
- Corporation Tax legislation
- VAT legislation
- Health and safety

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management including management. We corroborated these enquiries through our review of external inspections, relevant correspondence with regulatory bodies and board meeting minutes.

BADBEA CROFTERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BADBEA CROFTERS LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness via data analytics for specific types of entries, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.
- Procedures to confirm the existence and completeness of revenue ensuring recognised in line with the company's accounting policies.
- Testing the basis for calculating the quantities and carrying value of the biological assets, including a sample review of purchase and sales invoices as part of the biological asset reconciliation and to ensure management had correctly reported these assets at the lower of cost and net realisable value.
- Enquiries with management regarding the compliance with laws and regulations, including health and safety requirements.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material risk due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Paul Capewell (Senior Statutory Auditor)
For and on behalf of A9 Accountancy Limited

1 September 2023

Chartered Accountants
Statutory Auditor

Elm House
Cradlehall Business Park
Inverness
United Kingdom
IV2 5GH

BADBEA CROFTERS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	2022 £
Turnover	3	14,975,474	13,228,729
Cost of sales		(9,802,264)	(8,585,179)
Gross profit		5,173,210	4,643,550
Distribution costs		(237,573)	(119,701)
Administrative expenses		(1,216,354)	(1,200,105)
Other operating income		39,799	30,898
Exceptional item	4	(184,000)	-
Operating profit	5	3,575,082	3,354,642
Interest receivable and similar income	9	223,975	5,677
Interest payable and similar expenses	10	(482,398)	(300,751)
Profit before taxation		3,316,659	3,059,568
Tax on profit	11	(638,669)	(940,621)
Profit for the financial year	27	2,677,990	2,118,947

Profit for the financial year is all attributable to the owners of the parent company.

BADBEA CROFTERS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2023

	2023	2022
	£	£
Profit for the year	2,677,990	2,118,947
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,677,990</u>	<u>2,118,947</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

BADBEA CROFTERS LIMITED

GROUP BALANCE SHEET

AS AT 30 APRIL 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	13		5,687		2,425
Tangible assets	14		19,937,538		20,360,448
Investment property	15		310,441		298,481
			<u>20,253,666</u>		<u>20,661,354</u>
Current assets					
Stocks	18	78,319		62,051	
Debtors	19	1,814,432		2,161,437	
Biological asset	20	641,890		417,020	
Cash at bank and in hand		5,830,068		3,402,179	
		<u>8,364,709</u>		<u>6,042,687</u>	
Creditors: amounts falling due within one year	21	<u>(2,900,560)</u>		<u>(2,753,887)</u>	
Net current assets			<u>5,464,149</u>		<u>3,288,800</u>
Total assets less current liabilities			<u>25,717,815</u>		<u>23,950,154</u>
Creditors: amounts falling due after more than one year	22		(9,256,888)		(10,157,145)
Provisions for liabilities					
Deferred tax liability	24	1,696,620		1,486,692	
		<u>(1,696,620)</u>		<u>(1,486,692)</u>	
Net assets			<u><u>14,764,307</u></u>		<u><u>12,306,317</u></u>
Capital and reserves					
Called up share capital	26		2,000		2,000
Profit and loss reserves	27		14,762,307		12,304,317
Total equity			<u><u>14,764,307</u></u>		<u><u>12,306,317</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 August 2023 and are signed on its behalf by:

Mr H Murray
Director

Company registration number SC105107 (Scotland)

BADBEA CROFTERS LIMITED

COMPANY BALANCE SHEET

AS AT 30 APRIL 2023

		2023	2022
	Notes	£	£
Fixed assets			
Investments	16	1,377,972	1,377,972
Current assets			
Debtors	19	-	79,539
Cash at bank and in hand		1,585	1,757
		<u>1,585</u>	<u>81,296</u>
Creditors: amounts falling due within one year	21	<u>(11,760)</u>	<u>(8,052)</u>
Net current (liabilities)/assets		<u>(10,175)</u>	<u>73,244</u>
Net assets		<u>1,367,797</u>	<u>1,451,216</u>
Capital and reserves			
Called up share capital	26	2,000	2,000
Profit and loss reserves	27	1,365,797	1,449,216
Total equity		<u>1,367,797</u>	<u>1,451,216</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £136,581 (2022 - £92,020 profit).

The financial statements were approved by the board of directors and authorised for issue on 29 August 2023 and are signed on its behalf by:

Mr H Murray
Director

Company registration number SC105107 (Scotland)

BADBEA CROFTERS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 May 2021		2,000	10,385,370	10,387,370
Year ended 30 April 2022:				
Profit and total comprehensive income		-	2,118,947	2,118,947
Dividends	12	-	(200,000)	(200,000)
Balance at 30 April 2022		2,000	12,304,317	12,306,317
Year ended 30 April 2023:				
Profit and total comprehensive income		-	2,677,990	2,677,990
Dividends	12	-	(220,000)	(220,000)
Balance at 30 April 2023		2,000	14,762,307	14,764,307

BADBEA CROFTERS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 May 2021		2,000	1,557,196	1,559,196
Year ended 30 April 2022:				
Profit and total comprehensive income for the year		-	92,020	92,020
Dividends	12	-	(200,000)	(200,000)
Balance at 30 April 2022		2,000	1,449,216	1,451,216
Year ended 30 April 2023:				
Profit and total comprehensive income		-	136,581	136,581
Dividends	12	-	(220,000)	(220,000)
Balance at 30 April 2023		2,000	1,365,797	1,367,797

BADBEA CROFTERS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	30	5,687,101		3,688,262	
Interest paid		(482,398)		(300,751)	
Income taxes paid		(643,948)		(129,927)	
Net cash inflow from operating activities		<u>4,560,755</u>		<u>3,257,584</u>	
Investing activities					
Purchase of intangible assets		(3,750)		-	
Purchase of tangible fixed assets		(1,004,698)		(210,682)	
Proceeds from disposal of tangible fixed assets		8,694		30,355	
Purchase of investment property		(11,960)		(14,226)	
Interest received		223,975		5,677	
Movement in biological assets		(224,870)		(45,902)	
Net cash used in investing activities		<u>(1,012,609)</u>		<u>(234,778)</u>	
Financing activities					
Repayment of bank loans		(900,257)		(2,940,500)	
Dividends paid to equity shareholders		(220,000)		(200,000)	
Net cash used in financing activities		<u>(1,120,257)</u>		<u>(3,140,500)</u>	
Net increase/(decrease) in cash and cash equivalents		<u>2,427,889</u>		<u>(117,694)</u>	
Cash and cash equivalents at beginning of year		<u>3,402,179</u>		<u>3,519,873</u>	
Cash and cash equivalents at end of year		<u><u>5,830,068</u></u>		<u><u>3,402,179</u></u>	

BADBEA CROFTERS LIMITED**COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2023**

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	31		74,900		98,628
Investing activities					
Interest received		3		-	
Dividends received		144,925		100,000	
Net cash generated from investing activities			144,928		100,000
Financing activities					
Dividends paid to equity shareholders		(220,000)		(200,000)	
Net cash used in financing activities			(220,000)		(200,000)
Net decrease in cash and cash equivalents			(172)		(1,372)
Cash and cash equivalents at beginning of year			1,757		3,129
Cash and cash equivalents at end of year			1,585		1,757

BADBEA CROFTERS LIMITED

COMPANY STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Judgements and key sources of estimation uncertainty

In the application of the group'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 as follows:

Depreciation - useful lives of tangible assets

The useful life of any residual values of tangible fixed assets are considered and depreciation rates applied accordingly. Details of the depreciation policies applied can be found on page 16 of the financial statements. The depreciation charge for the year amounts to £1,425,215 (2022 - £1,431,736) and the carrying value of tangible fixed assets at the year end amounts to £19,937,538 (2022 - £20,045,721).

Biological assets

Biological assets totalling £641,890 (2022 - £417,020) are valued as detailed on page X of the financial statements. Valuation of biological assets requires judgements to be made on various aspects of the assets held and is assessed based on the directors' extensive knowledge of the industry and the economic environment they are operating in. As with any estimate, this is subject to events proving otherwise, but the directors do not consider that this amounts to significant risk.

2 Accounting policies

Company information

Badbea Crofters Limited ("the company") is a private limited company domiciled and incorporated in Scotland. The registered office is Dornoch Road, Bonar Bridge, IV24 3EB.

The group consists of Badbea Crofters Limited and all of its subsidiaries.

2.1 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.

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 except that as disclosed in the accounting policies certain items are shown at fair value.

The consolidated financial statements incorporate those of Badbea Crofters Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired are consolidated using the purchase method. Their results are incorporated from the date that control passes.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies

(Continued)

2.2 Basis of consolidation

The parent company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The parent company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

Section 4 of Financial Position - Reconciliation of the opening and closing number of shares;
Section 7 of Cash Flows - Presentation of a statement of cash flows and related notes and disclosures.

Badbea Crofters Limited has acquired the share capital of its subsidiaries on a piecemeal basis. All goodwill on the business combination, to the date that control is obtained on each subsidiary, is fully amortised. Goodwill was assessed as having a useful economic life of 4 years.

All financial statements are made up to 30 April 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

2.3 Going concern

At the time of approving the financial statements, due to the strength of the group's and the company's balance sheet and the group's ability to generate sufficient cash from its operations, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Turnover

Turnover comprises the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The group recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each group's activities.

Turnover is recognised on the charter of boats and hire of vehicles based on the company's right to consideration aligned to the period of hire, on the accruals basis. Turnover for smolts is recognised when legal title passes to the customer. Turnover for management services is recognised on an accruals basis.

2.5 Intangible fixed assets other than goodwill

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

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies

(Continued)

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

Website costs	10% straight line
---------------	-------------------

2.6 Tangible fixed assets

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

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

Freehold property	2% - 5% straight line
Plant machinery, fixtures and fittings	10% - 20% straight line and 15% reducing balance
Wellboats	Migdale: over 10 years to residual value for main structure and 10% straight line for all other equipment and fittings: Marsali: 5% reducing balance
Motor vehicles	20% to 25% reducing balance

Also included within tangible fixed assets are the following depreciation policies:

Leasehold property: 5% straight line

Leasehold improvements: straight line over life of the asset

Fixtures and fittings: 20% to 25% straight line

Wellboat survey costs: Capitalised and amortised periods of up to 5 years

2.7 Investment property

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. Changes in fair value are recognised in profit or loss.

2.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.9 Impairment of fixed assets

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

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies

(Continued)

2.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and conditions valued at the lower of cost and net realisable value.

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

2.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks.

2.12 Financial instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

Impairment 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.

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 group transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

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.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including foreign exchange forward contracts, are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. the resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument in which the event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

2.13 Equity instruments

Equity instruments issued by the group 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 group.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.14 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

2.15 Employee benefits

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

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

2.16 Retirement benefits

The company makes contributions into the personal pension funds of certain directors and employees. Contributions payable are charged to the profit and loss account in the year they are payable,

2.17 Leases

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies

(Continued)

Leases are classed as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit and loss so as to produce a constant periodic rate of interest on the remaining balance of the liability. Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2.18 Government grants

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

2.19 Foreign exchange

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

2.20 Biological assets

The group rears smolts and as a result holds fish as biological assets within current assets.

In accordance with FRS 102 these assets are defined as biological assets and are held at the lower of cost and estimated selling price less costs to complete and sell.

2.21 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2.22 Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Rearing of smolts	3,884,899	4,219,311
Transport services	11,090,575	9,009,418
	<u>14,975,474</u>	<u>13,228,729</u>

	2023	2022
	£	£
Other revenue		
Interest income	223,975	5,677
Grants received	-	2,084
Miscellaneous other operating income	-	28,814
	<u>-</u>	<u>28,814</u>

4 Exceptional item

	2023	2022
	£	£
Expenditure		
Exceptional item	184,000	-
	<u>184,000</u>	<u>-</u>

During the year an uninsured loss occurred resulting in a compensation payment to a customer of £184,000.

5 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(19,451)	8,680
Government grants	-	(2,084)
Depreciation of owned tangible fixed assets	1,425,215	1,438,160
Profit on disposal of tangible fixed assets	(6,301)	(1,267)
Amortisation of intangible assets	488	300
Operating lease charges	88,395	86,877
	<u>1,488,346</u>	<u>1,439,666</u>

6 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	-	245
Audit of the financial statements of the company's subsidiaries	20,790	17,580
	<u>20,790</u>	<u>17,825</u>

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

7 Employees

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

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Direct	31	31	-	-
Admin	17	16	-	-
Management	9	7	6	7
Total	57	54	6	7

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	2,941,787	2,811,162	-	-
Social security costs	356,135	236,148	-	-
Pension costs	58,516	57,493	-	-
	3,356,438	3,104,803	-	-

8 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	436,937	372,330
Company pension contributions to defined contribution schemes	10,365	3,370
	447,302	375,700

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	160,630	165,543
Company pension contributions to defined contribution schemes	8,276	1,321

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

9 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	223,930	5,677
Other interest income	45	-
	<u>223,975</u>	<u>5,677</u>
Total income	<u>223,975</u>	<u>5,677</u>
	2023	2022
	£	£
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	223,930	5,677
	<u>223,930</u>	<u>5,677</u>

10 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	476,411	300,751
Other finance costs:		
Other interest	5,987	-
	<u>482,398</u>	<u>300,751</u>
Total finance costs	<u>482,398</u>	<u>300,751</u>

11 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	428,741	557,722
	<u>428,741</u>	<u>557,722</u>
Deferred tax		
Origination and reversal of timing differences	209,928	382,899
	<u>209,928</u>	<u>382,899</u>
Total tax charge	<u>638,669</u>	<u>940,621</u>

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	3,316,659	3,059,568
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	630,165	581,318
Tax effect of expenses that are not deductible in determining taxable profit	5,155	3,371
Gains not taxable	(1,197)	(240)
Adjustments in respect of prior years	(3,019)	-
Effect of change in corporation tax rate	11,010	-
Dividend income	(27,536)	(19,000)
Accelerated capital allowances	(170,634)	10,783
Relief available on other allowable expenses	(37,966)	(38,730)
Deferred tax	209,928	382,900
Change in profit due to consolidation adjustments	28,753	20,219
Correction to prior year tax creditor	(5,990)	-
Taxation charge	638,669	940,621

12 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Interim paid	220,000	200,000

13 Intangible fixed assets

Group	Website costs £
Cost	
At 1 May 2022	3,000
Additions	3,750
At 30 April 2023	6,750
Amortisation and impairment	
At 1 May 2022	575
Amortisation charged for the year	488
At 30 April 2023	1,063

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

13 Intangible fixed assets (Continued)

Carrying amount	
At 30 April 2023	5,687
At 30 April 2022	2,425

14 Tangible fixed assets

Group	Freehold property	Plant machinery, fixtures and fittings	Wellboats	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2022	615,520	3,675,445	21,851,243	1,204,829	27,347,037
Additions	-	341,624	240,019	423,055	1,004,698
Disposals	-	(86,999)	(1,694)	(71,250)	(159,943)
At 30 April 2023	615,520	3,930,070	22,089,568	1,556,634	28,191,792
Depreciation and impairment					
At 1 May 2022	204,941	2,394,895	3,626,614	760,139	6,986,589
Depreciation charged in the year	21,404	245,900	1,034,606	123,305	1,425,215
Eliminated in respect of disposals	-	(86,300)	-	(71,250)	(157,550)
At 30 April 2023	226,345	2,554,495	4,661,220	812,194	8,254,254
Carrying amount					
At 30 April 2023	389,175	1,375,575	17,428,348	744,440	19,937,538
At 30 April 2022	410,579	1,280,550	18,224,629	444,690	20,360,448

15 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 May 2022 and 30 April 2023	298,481	-
Additions through external acquisition	11,960	-
At 30 April 2023	310,441	-

Investment property comprises land and buildings. The fair value of the investment properties have been arrived at by the directors and are deemed appropriate at 30 April 2023.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

16 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	17	-	-	1,377,972	1,377,972
Movements in fixed asset investments					
Company					Shares in subsidiaries £
Cost or valuation					
At 1 May 2022 and 30 April 2023					1,377,972
Carrying amount					
At 30 April 2023					1,377,972
At 30 April 2022					1,377,972

17 Subsidiaries

Details of the company's subsidiaries at 30 April 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Migdale Smolt Limited	Scotland	Ordinary	100.00
Migdale Transport Limited	Scotland	Ordinary	100.00

18 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Other inventories	78,319	62,051	-	-

19 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	1,427,622	2,002,810	-	-
Amounts owed by group undertakings	-	-	-	79,539
Other debtors	167,503	43,133	-	-
Prepayments and accrued income	219,307	115,494	-	-
	1,814,432	2,161,437	-	79,539

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

20 Biological assets

	Smolts £
Cost	
At 1 May 2022	417,020
Change in inventory	224,870
	<hr/>
At 30 April 2023	641,890
	<hr/>

21 Creditors: amounts falling due within one year

		Group 2023 £	2022 £	Company 2023 £	2022 £
	Notes				
Bank loans	23	1,126,667	1,126,667	-	-
Trade creditors		952,249	766,788	-	-
Amounts owed to group undertakings		-	-	11,760	8,052
Corporation tax payable		345,534	560,741	-	-
Other taxation and social security		120,643	133,183	-	-
Other creditors		237,346	40,858	-	-
Accruals and deferred income		118,121	125,650	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		2,900,560	2,753,887	11,760	8,052
		<hr/>	<hr/>	<hr/>	<hr/>

22 Creditors: amounts falling due after more than one year

		Group 2023 £	2022 £	Company 2023 £	2022 £
	Notes				
Bank loans and overdrafts	23	9,256,888	10,157,145	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Amounts included above which fall due after five years are as follows:					
Payable by instalments		4,750,216	6,377,419	-	-
		<hr/>	<hr/>	<hr/>	<hr/>

23 Loans and overdrafts

		Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans		10,383,555	11,283,812	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Payable within one year		1,126,667	1,126,667	-	-
Payable after one year		9,256,888	10,157,145	-	-
		<hr/>	<hr/>	<hr/>	<hr/>

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

23 Loans and overdrafts

(Continued)

The long-term loans are secured by fixed charges over the group's wellboats and a floating charge over the whole assets of the company.

The bank loan is repayable in monthly installments over 11 years with interest being charged at a variable rate of base rate plus 1.9%.

24 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	1,806,855	1,646,883
Unrelieved capitalised revenue	(110,235)	(160,191)
	<u>1,696,620</u>	<u>1,486,692</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 May 2022	1,486,692	-
Charge to profit or loss	209,928	-
	<u>1,696,620</u>	<u>-</u>

25 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>58,516</u>	<u>57,493</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

26 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	2,000	2,000	2,000	2,000

27 Reserves

Retained earnings represent accumulated profits less losses and distributions.

28 Operating lease commitments

Lessee

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Within one year	2,288,080	-	-	-
Between two and five years	14,872,520	-	-	-
	<u>17,160,600</u>	<u>-</u>	<u>-</u>	<u>-</u>

29 Directors' transactions

Dividends totalling £143,000 (2022 - £130,000) were paid in the year in respect of shares held by the company's directors.

The group and parent company are taking advantage of the relevant exemptions within section 33 of FRS 102 not to disclose related party transactions.

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

30 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	2,677,990	2,118,947
Adjustments for:		
Taxation charged	638,669	940,621
Finance costs	482,398	300,751
Investment income	(223,975)	(5,677)
Gain on disposal of tangible fixed assets	(6,301)	(1,267)
Amortisation and impairment of intangible assets	488	300
Depreciation and impairment of tangible fixed assets	1,425,215	1,438,160
Movements in working capital:		
(Increase)/decrease in stocks	(16,268)	12,653
Decrease/(increase) in debtors	347,005	(1,174,319)
Increase in creditors	361,880	58,093
Cash generated from operations	5,687,101	3,688,262

31 Cash generated from operations - company

	2023 £	2022 £
Profit for the year after tax	136,581	92,020
Adjustments for:		
Investment income	(144,928)	(100,000)
Movements in working capital:		
Decrease in debtors	79,539	104,696
Increase in creditors	3,708	1,912
Cash generated from operations	74,900	98,628

32 Analysis of changes in net debt - group

	1 May 2022 £	Cash flows £	30 April 2023 £
Cash at bank and in hand	3,402,179	2,427,889	5,830,068
Borrowings excluding overdrafts	(11,283,812)	900,257	(10,383,555)
	(7,881,633)	3,328,146	(4,553,487)

BADBEA CROFTERS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

33 Analysis of changes in net funds - company

	1 May 2022 £	Cash flows £	30 April 2023 £
Cash at bank and in hand	1,757	(172)	1,585
	<u> </u>	<u> </u>	<u> </u>

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