

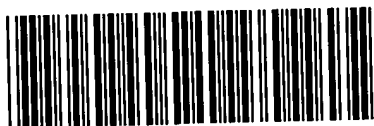
# Natural Assets Investments Limited

## GROUP FINANCIAL STATEMENTS

for the year ended

31 March 2015

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COMPANIES HOUSE

Company Registration No. 07541643

# Natural Assets Investments Limited

## FINANCIAL STATEMENTS

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# Natural Assets Investments Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

Timothy Dennis  
Ewan James Kearney  
Matthew Dawson Spence  
Anthony Wild

### REGISTERED OFFICE

51 Water Lane  
Wilmslow  
Cheshire  
England  
SK9 5BQ

### AUDITOR

RSM UK Audit LLP  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF

# Natural Assets Investments Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Natural Assets Investments Limited for the year ended 31 March 2015.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of holding company.

The principal activities of the subsidiary entities are holiday lettings, land ownership, property development, the provision of retail and guiding services and the provision of an all year round tourist attraction providing mountain railway experience, retail, catering and winter recreational activities.

### RESULTS AND DIVIDENDS

The loss for the year amounted to £5,734,703 (2014 - £4,335,462). The directors have not recommended a dividend.

### DIRECTORS

The directors who served the company during the year were as follows:

Timothy Dennis  
Ewan James Kearney  
Matthew Dawson Spence  
Anthony Wild

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

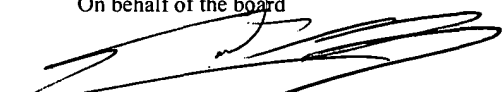
### AUDITOR

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Ewan James Kearney  
Director

17/12/15

## Natural Assets Investments Limited

### DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 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 the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the 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 the 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 the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATURAL ASSETS INVESTMENTS LIMITED

We have audited the group and parent company financial statements ("the financial statements") on pages 5 to 26. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

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.

### **Respective responsibilities of directors and auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2015 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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

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

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



GRAHAM BOND FCA (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (FORMERLY BAKER TILLY UK AUDIT LLP), Statutory Auditor  
Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

25/12/15

Natural Assets Investments Limited  
GROUP PROFIT AND LOSS ACCOUNT  
for the year ended 31 March 2015

	Notes	2015 £	2014 £
TURNOVER (including share of joint venture)			
Existing operations		1,962,601	1,509,503
Acquisitions		3,583,732	-
		<u>5,546,333</u>	<u>1,509,503</u>
Less: Share of joint venture turnover		(22,500)	(16,875)
GROUP TURNOVER		5,523,833	1,492,628
Cost of sales		(3,708,783)	(704,723)
GROSS PROFIT		1,815,050	787,905
Operating expenses		(4,147,475)	(2,836,673)
Other operating income	2	103,669	-
OPERATING LOSS			
Existing operations		(2,471,109)	(2,048,768)
Acquisitions		242,353	-
		<u>(2,228,756)</u>	<u>(2,048,768)</u>
Share of operating profit/(loss) of joint ventures		858	(2,662)
		<u>(2,227,898)</u>	<u>(2,051,430)</u>
(Loss)/profit on disposal of fixed assets		(467,557)	850,764
		<u>(2,695,455)</u>	<u>(1,200,666)</u>
Profit on disposal of minority interest		18,487	-
		<u>(2,676,968)</u>	<u>(1,200,666)</u>
Interest receivable		2,034	-
Interest payable and similar charges	5	(3,210,187)	(3,105,301)
Other finance income	19	8,000	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>(5,877,121)</u>	<u>(4,305,967)</u>
Taxation		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(5,877,121)</u>	<u>(4,305,967)</u>
Attributable to minority interests		142,417	(29,495)
DEFICIT FOR THE FINANCIAL YEAR	18	<u>(5,734,704)</u>	<u>(4,335,462)</u>

The loss for the year arises from the group's continuing operations.

**Natural Assets Investments Limited**  
**GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
for the year ended 31 March 2015

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	<i>Notes</i>	2015 £	2014 £
Loss for the financial year		(5,734,704)	(4,335,462)
Unrealised surplus on revaluation of certain fixed assets	18	98,668	2,433,554
Actuarial loss on pension scheme	20	(208,729)	-
Total recognised gains and losses since the last financial statements		<u>(5,844,765)</u>	<u>(1,901,908)</u>



## Natural Assets Investments Limited

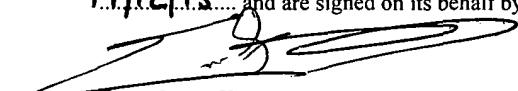
## GROUP BALANCE SHEET

As at 31 March 2015

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Goodwill	7	7,224,354	7,816,844
Negative goodwill	7	(470,565)	(266,365)
Net goodwill		<u>6,753,789</u>	<u>7,550,479</u>
Development costs	7	72,593	76,777
Intangible assets	7	<u>6,826,382</u>	<u>7,627,256</u>
Tangible assets	8	23,837,284	27,705,511
Investments	9	73,165	83,454
Share of losses in joint ventures		(18,564)	(19,422)
		<u>30,718,267</u>	<u>35,396,799</u>
<b>CURRENT ASSETS</b>			
Stocks		198,991	47,396
Debtors	10	2,007,676	1,463,114
Cash at bank and in hand		2,028,347	79,938
		<u>4,235,014</u>	<u>1,590,448</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(5,060,100)	(3,284,091)
<b>NET CURRENT LIABILITIES</b>		<u>(825,086)</u>	<u>(1,693,643)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>29,893,181</u>	<u>33,703,156</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	(45,703,085)	(43,362,384)
Government grants	13	(1,807,499)	(1,807,499)
Pension liability	20	(147,000)	-
		<u>(17,764,403)</u>	<u>(11,466,727)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	1,000	1,000
Merger reserve	17	149,999	149,999
Revaluation reserve	17	3,985,212	3,387,388
Profit and loss account	17	(21,573,017)	(15,220,428)
<b>SHAREHOLDERS' DEFICIT</b>	18	<u>(17,526,806)</u>	<u>(11,682,041)</u>
Attributable to minority interests		(237,597)	215,314
<b>TOTAL CAPITAL EMPLOYED</b>		<u>(17,764,403)</u>	<u>(11,466,727)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 5 to 26 were approved by the board of directors and authorised for issue on 17/12/15 and are signed on its behalf by:

  
Ewan James Kearney  
Director

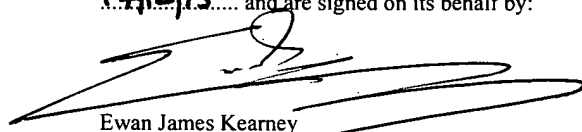
## Natural Assets Investments Limited

BALANCE SHEET  
As at 31 March 2015

	<i>Notes</i>	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	8	91,022	118,987
Investments	9	504,466	283,516
		<u>595,488</u>	<u>402,503</u>
<b>CURRENT ASSETS</b>			
Debtors	10	22,693,338	22,931,332
Cash at bank and in hand		666,017	51,736
		<u>23,359,355</u>	<u>22,983,068</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>(5,033,223)</u>	<u>(601,932)</u>
<b>NET CURRENT ASSETS</b>			
		<u>18,326,132</u>	<u>22,381,136</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>18,921,620</u>	<u>22,783,639</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	<u>(39,637,530)</u>	<u>(37,490,861)</u>
		<u>(20,715,910)</u>	<u>(14,707,222)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	1,000	1,000
Merger reserve	17	149,999	149,999
Profit and loss account	17	<u>(20,866,909)</u>	<u>(14,858,221)</u>
<b>DEFICIT</b>			
		<u>(20,715,910)</u>	<u>(14,707,222)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 5 to 26 were approved by the board of directors and authorised for issue on 13/12/15 and are signed on its behalf by:



Ewan James Kearney  
Director

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), "the FRSS 2008".

#### GOING CONCERN

As part of its going concern review the Board has prepared detailed financial forecasts and cash flows looking 12 months ahead from the date the accounts are signed. In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period.

The group is currently in its development phase with the balance sheet showing net current liabilities of £825,086 (2014 - £1,693,643) and net liabilities of £17,526,806 (2014 - £11,682,041). Certain of the group's properties are still currently under development and so the group is reliant on support to cover its working capital requirements.

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

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

#### BASIS OF CONSOLIDATION

As a small group, the group is not required to prepare consolidated financial statements, but has chosen to do so. The consolidated financial statements incorporate the financial statements of the company and all group undertakings (except for those disclosed in note 9). These are adjusted, where appropriate, to conform to group accounting policies. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

#### CASH FLOW STATEMENT

As a small group the group is exempt from the requirement to present a cash flow statement.

#### INTANGIBLE ASSETS – DEVELOPMENT COSTS

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs are only capitalised when the related products meet the recognition criteria of an internally generated intangible asset, the key criterion being as follows:

- technical feasibility of the completed intangible asset;
- the probability of future economic benefits;
- the reliable measurement of costs; and
- the ability and intention of the company to use or sell the intangible asset.

Amortisation is calculated so as to write off the cost of an intangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Development costs - 5% per annum on cost

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# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 1 ACCOUNTING POLICIES *(continued)*

#### INTANGIBLE ASSETS - GOODWILL

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to 20 years. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Negative goodwill arises when the fair value of the consideration for an acquired subsidiary is less than the fair value of the separable net assets. The amount up to the value of the non-monetary assets acquired is credited to the profit and loss account in the period in which those non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair value of the non-monetary assets acquired is credited to the profit and loss account in the periods expected to benefit.

#### TURNOVER

Turnover comprises revenue recognised by the group in respect of rents receivable and the provision of tourist attractions during the period.

#### FIXED ASSETS

All fixed assets are initially recorded at cost.

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	25% - 33 $\frac{1}{3}$ % straight line
Motor vehicles	25% straight line
Plant and equipment	33 $\frac{1}{3}$ % straight line

Development properties are not depreciated. Upon completion they are transferred to investment properties and accounted for under SSAP 19.

#### INVESTMENT PROPERTIES

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment property revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### INVESTMENTS

Long term investments are classified as fixed assets. Short term investments are classified as current assets.

Fixed asset investments are stated at cost in the company balance sheet.

Provision is made for any impairment in the value of fixed asset investments.

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 1 ACCOUNTING POLICIES *(continued)*

#### STOCKS

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

#### LEASING AND HIRE PURCHASE COMMITMENTS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

#### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax is not provided on revaluation surpluses on investment properties as no tax will be chargeable.

#### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### ASSOCIATED UNDERTAKINGS

Undertakings in which the group has a participating interest and over which it exerts significant influence are defined as associated undertakings. The financial statements include the appropriate share of the results and reserves of these undertakings using the equity method based on audited financial statements.

#### RELATED PARTY TRANSACTIONS

In accordance with the exemptions conferred by Financial Reporting Standard No.8, details of transactions with entities 100% of whose voting rights are controlled within the group have not been disclosed.

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 1 ACCOUNTING POLICIES *(continued)*

#### FINANCIAL INSTRUMENTS

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

#### DEFERRED GOVERNMENT GRANTS

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

#### PENSION COSTS – DEFINED BENEFIT

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Actuarial gains and losses arising are recognised immediately in the statement of total recognised gains and losses.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset, and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. Contributions are calculated as a percentage agreed, following actuarial advice, on the pensionable salaries of employees. The defined benefit plan is closed to future accrual.

#### PENSION COSTS – DEFINED CONTRIBUTION

The group operates a pension scheme where the contributions are defined. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Natural Assets Investments Limited  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 March 2015

2 OTHER OPERATING INCOME

	2015	2014
	£	£
Other operating income	98,868	-
Government grants received	4,801	-
	<u>103,669</u>	<u>-</u>

3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of fixed assets – owned	420,616	383,880
Depreciation of fixed assets – hire purchase contracts	42,562	-
Impairment of fixed assets	592,478	-
Amortisation of intangible fixed assets	563,696	581,004
Loss/(profit) on disposal of fixed assets	462,045	(434,107)
Operating leases – land and buildings	70,000	66,260
Auditor's remuneration - audit of the financial statements	49,000	36,660
	<u>4,000,000</u>	<u>3,977,700</u>

4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015	2014
	£	£
Sums paid to third parties for directors' services	<u>25,000</u>	<u>30,000</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
On bank loans and overdrafts	176,682	193,056
On other loans	3,029,287	2,912,245
Hire purchase interest	4,218	-
	<u>3,210,187</u>	<u>3,105,301</u>

6 LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £6,008,688 (2014 - loss £2,115,925).

Natural Assets Investments Limited  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2015

7 INTANGIBLE FIXED ASSETS

Group	Development costs £	Negative goodwill £	Goodwill on consolidation £	Total £
Cost				
At 1 April 2014	83,672	(313,372)	9,315,900	9,086,200
Additions	-	(323,444)	-	(323,444)
Disposals	-	101,489	-	101,489
At 31 March 2015	<u>83,672</u>	<u>(535,327)</u>	<u>9,315,900</u>	<u>8,864,245</u>
Amortisation				
At 1 April 2014	6,895	(47,007)	1,499,056	1,458,944
Charge for the year	4,184	(32,978)	592,490	563,696
Disposals	-	15,223	-	15,223
At 31 March 2015	<u>11,079</u>	<u>(64,762)</u>	<u>2,091,546</u>	<u>2,037,863</u>
Net book value				
At 31 March 2015	<u>72,593</u>	<u>(470,565)</u>	<u>7,224,354</u>	<u>6,826,382</u>
At 31 March 2014	<u>76,777</u>	<u>(266,365)</u>	<u>7,816,844</u>	<u>7,627,256</u>

8 TANGIBLE FIXED ASSETS

Group	Freehold properties £	Development properties £	Investment properties £	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation						
At 1 April 2014	-	2,194,470	24,292,726	1,754,730	152,645	28,394,571
On acquisition	33,341	-	-	-	438,617	471,958
Additions	244,391	1,500	214,917	141,930	382,138	984,876
Disposals	-	-	(3,945,450)	(105,985)	(52,816)	(4,104,251)
Revaluation	-	-	(279,605)	-	-	(279,605)
Reclassification	-	-	-	3,223	(3,223)	-
At 31 March 2015	<u>277,732</u>	<u>2,195,970</u>	<u>20,282,588</u>	<u>1,793,898</u>	<u>917,361</u>	<u>25,467,549</u>
Depreciation						
At 1 April 2014	-	-	-	662,549	26,511	689,060
Charge for the year	2,531	-	-	308,074	152,573	463,178
Impairment	-	592,478	-	-	-	592,478
Disposals	-	-	-	(81,714)	(32,737)	(114,451)
At 31 March 2015	<u>2,531</u>	<u>592,478</u>	<u>-</u>	<u>888,909</u>	<u>146,347</u>	<u>1,630,265</u>
Net book value						
At 31 March 2015	<u>275,201</u>	<u>1,603,492</u>	<u>20,282,588</u>	<u>904,989</u>	<u>771,014</u>	<u>23,837,284</u>
At 31 March 2014	<u>-</u>	<u>2,194,470</u>	<u>24,292,726</u>	<u>1,092,181</u>	<u>126,134</u>	<u>27,705,511</u>



Natural Assets Investments Limited  
 NOTES TO THE FINANCIAL STATEMENTS  
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8 TANGIBLE FIXED ASSETS (continued)

The cost or valuation of investment properties is represented by:-

	2015	2014
	£	£
Valuation	<u>20,282,588</u>	<u>24,292,726</u>

The investment properties were valued on an open market value basis. The valuations were carried out internally in 2015, except for JOG Highlands LLP which used Sanderson Weatherall, Chartered Surveyors, who provided the valuation in May 2015. No depreciation is provided in respect of investment properties or land.

The historic costs of the investment properties were £22,271,740 (2014 - £28,952,080).

No provision has been made for deferred tax on gains recognised on revaluing investment properties to market value.

The net book value of plant and machinery includes £228,424 (2014 - £Nil) and in respect of assets held under hire purchase contracts. The depreciation charge in respect of these assets was £42,562 (2014 - £Nil).

Company	Equipment	Plant and machinery	Total
	£	£	£
Cost or valuation			
At 1 April 2014	<u>6,705</u>	<u>139,823</u>	<u>146,528</u>
At 31 March 2015	<u>6,705</u>	<u>139,823</u>	<u>146,528</u>
Depreciation			
At 1 April 2014	2,235	25,306	27,541
Charge for year	-	27,965	27,965
At 31 March 2015	<u>2,235</u>	<u>53,271</u>	<u>55,506</u>
Net book value			
At 31 March 2015	<u>4,470</u>	<u>86,552</u>	<u>91,022</u>
At 31 March 2014	<u>4,470</u>	<u>114,517</u>	<u>118,987</u>

Natural Assets Investments Limited  
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9 INVESTMENTS

Group	Associated undertakings £	Other investments £	Total £
Cost	53,454	30,000	83,454
Reclassification	(10,289)	-	(10,289)
At 31 March 2015	<u>43,165</u>	<u>30,000</u>	<u>73,165</u>
Net book value At 31 March 2015	<u>43,165</u>	<u>30,000</u>	<u>73,165</u>
At 31 March 2014	<u>53,454</u>	<u>30,000</u>	<u>83,454</u>

Company	Associated undertakings £	Investment in subsidiary undertakings £	Other investments £	Total £
Cost	53,454	200,062	30,000	283,516
At 1 April 2014	-	220,950	-	220,950
Additions	-	10,289	-	-
Reclassification	(10,289)	-	-	-
At 31 March 2015	<u>43,165</u>	<u>431,301</u>	<u>30,000</u>	<u>504,466</u>
Net book value At 31 March 2015	<u>43,165</u>	<u>431,301</u>	<u>30,000</u>	<u>504,466</u>
At 31 March 2014	<u>53,454</u>	<u>200,062</u>	<u>30,000</u>	<u>283,516</u>

During the year ended 31 March 2013, the company acquired a 33% shareholding in Gibbon Lawson McKee Limited. Whilst the shareholding would represent an associated undertaking, the financial statements do not include the appropriate share of the results and reserves of this undertaking as it is not considered material to these consolidated financial statements and would be of no value to its members.

The following subsidiary undertakings are not included in the consolidation on the grounds of materiality:- Pentire Management Limited, NL3 Cottages Management Limited, Natural Land 3 Management Limited.

SUBSIDIARY UNDERTAKINGS

All held by the company:

Name	Country of incorporation	Holding	Nature of business
Pentire Fistral Beach Limited	England & Wales	100%	Holiday lettings
Trewhiddle Village Limited	England & Wales	100%	Holiday lettings
Natural Land 3 Limited	England & Wales	100%	Holiday lettings
North York Moors Limited	England & Wales	100%	Property development
DOL Park Limited	England & Wales	100%	Holding company
John O'Groats Highland Limited	England & Wales	100%	Holding company
NA Lews Castle Limited	England & Wales	100%	Land ownership
Yorkshire Dales Limited	England & Wales	100%	Holiday lettings
Natural Outfitters Limited	England & Wales	100%	Retail and guiding services
Mini Gems Limited	England & Wales	100%	Design and development of camping pods
CairnGorm Mountain Ltd.	Scotland	100%	Tourist attraction provision

**Natural Assets Investments Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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9 INVESTMENTS *(continued)*

Name	Country of incorporation	Holding	Nature of business
DOL Park Limited has the following subsidiary:			
Natural Land 1 LLP	England & Wales	100%	Property development
John O'Groats Highland Limited has the following subsidiary:			
JOG Highlands LLP	England & Wales	86%	Property development
Pentire Fistrall Beach Limited has the following subsidiary:			
Pentire Management Limited	England & Wales	100%	Property management
Natural Land 3 Limited has the following subsidiaries:			
NL3 Cottages Management Limited	England & Wales	100%	Property management
Natural Land 3 Management Limited	England & Wales	100%	Dormant
JOINT VENTURES:			
Jog 2 Limited	England & Wales	50%	Land ownership
Jog 3 LLP	England & Wales	50%	Land ownership
End to End Limited	England & Wales	50%	Leisure and events company
OTHER PARTICIPATING INTERESTS HELD BY THE COMPANY:			
Gibbon Lawson McKee Limited	England & Wales	33%	Surveying & architecture

On 11 June 2014 the company purchased the entire issued share capital of CairnGorm Mountain Ltd. for a total consideration of £231,239. (See note 20.)

10 DEBTORS

	2015		2014	
	Group £	Company £	Group £	Company £
Trade debtors	162,339	-	91,521	35,681
Amounts owed by group undertakings	-	22,008,588	-	22,068,958
Amounts owed by associated undertakings	467,025	-	473,969	482,786
Other debtors	1,378,312	684,750	897,624	343,907
	<u>2,007,676</u>	<u>22,693,338</u>	<u>1,463,114</u>	<u>22,931,332</u>

The debtors above include the following amounts falling due after more than one year:

	2015		2014	
	Group £	Company £	Group £	Company £
Other debtors	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>

Natural Assets Investments Limited  
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11 CREDITORS amounts falling due within one year	2015		2014	
	Group £	Company £	Group £	Company £
Bank loan	3,864,513	3,864,513	2,700,000	-
Net obligations under hire purchase contracts	67,890	-	-	-
Trade creditors	545,751	26,876	368,561	51,015
Amounts owed to group undertakings	-	1,104,752	-	512,674
Other tax and social security	36,092	194	881	-
Other creditors	545,854	36,888	214,649	38,243
	<u>5,060,100</u>	<u>5,033,223</u>	<u>3,284,091</u>	<u>601,932</u>

Net obligations under hire purchase contracts are secured on the relevant assets.

The following liabilities disclosed under creditors falling due within one year are secured by the group on certain properties:

	2015		2014	
	Group £	Company £	Group £	Company £
Bank loan	<u>3,944,000</u>	<u>3,944,000</u>	<u>2,700,000</u>	<u>-</u>

£79,487 (2014: £nil) of finance costs are included in bank loans due within one year.

12 CREDITORS amounts falling due after more than one year	2015		2014	
	Group £	Company £	Group £	Company £
Net obligations under hire purchase contracts	66,473	-	-	-
Other creditors	45,636,612	39,637,530	43,362,384	37,490,861
	<u>45,703,085</u>	<u>39,637,530</u>	<u>43,362,384</u>	<u>37,490,861</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the group on certain properties.

	2015		2014	
	Group £	Company £	Group £	Company £
Other creditors	2,899,082	-	2,771,523	-
	<u>2,899,082</u>	<u>-</u>	<u>2,771,523</u>	<u>-</u>

This other creditor figure is a loan secured by a debenture over the assets of a subsidiary company. The loan is repayable in full on 11 June 2022.

**Natural Assets Investments Limited**  
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13 GOVERNMENT GRANTS

	Group £
Received and receivable:	
At 1 April 2014 and 31 March 2015	<u>1,807,499</u>
Amortisation:	
At 1 April 2014 and 31 March 2015	<u>-</u>
Net balance at 31 March 2015	1,807,499
Net balance at 31 March 2014	<u>1,807,499</u>

During the year ended 31 March 2012 JOG Highlands LLP signed an agreement to receive a development grant from Highlands and Islands Enterprise of up to £1,807,500 or 30% of eligible costs of development at John O'Groats, Scotland. The grant is repayable up until 10 years from the date of the last payment of this grant and is therefore included as a liability until that point in time.

14 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as set out below.

Group	2015		2014	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	-	-	-
Within 2 to 5 years	-	6,706	-	-
After more than 5 years	<u>50,000</u>	-	<u>70,000</u>	-
	<u>50,000</u>	<u>6,706</u>	<u>70,000</u>	<u>-</u>

The company had no operating lease commitments.

15 RELATED PARTY TRANSACTIONS

Group

In addition to the related party transactions with the company disclosed below, there were the following transactions with other group entities.

*D Gorton*

D Gorton is a shareholder and ultimate controlling party of the parent company Natural Assets Investments Limited. At 31 March 2015 other creditors includes £3,100,000 (2014 - £3,100,000) due to D Gorton. No interest is provided on this amount.

D Gorton is also the controller of Nexus Partners LP. At 31 March 2015 other creditors includes £2,899,082 (2014 - £2,771,523) due to Nexus Partners LP with interest of 4.5% above 3 month LIBOR and is repayable in full on 11 June 2022.

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2015

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#### 15 RELATED PARTY TRANSACTIONS (*continued*)

The company's directors EJ Kearney, MD Spence and A Wild together with the controlling party D Gorton have interests in Natural Retreats Management LLC, a company incorporated in the USA, and Natural Retreats Management Limited. Natural Retreats UK Limited, Natural Retreats Ireland Limited and Natural Retreats US Inc were subsidiaries of Natural Retreats Management Limited until December 2014, when following a reorganisation, Natural Retreats UK Limited, Natural Retreats Ireland Limited and Natural Retreats US Inc became subsidiaries of Natural Retreats Management LLC.

##### *Natural Retreats UK Limited*

The company's directors, E J Kearney, M D Spence and A Wild, together with the controlling party D Gorton, have an interest in Natural Retreats UK Limited. During the year ended 31 March 2015 the group was charged expenses amounting to £2,220,468 (2014 - £Nil) to Natural Retreats UK Limited. At 31 March 2015 the company owed £139,936 (2014 - £Nil) to Natural Retreats UK Limited which is included in trade creditors. During the year ended 31 March 2015 the group recharged services to Natural Retreats UK Limited amounting to £1,152,998 (2014 - £Nil). At 31 March 2015 the group was owed £70,329 (2014 - £37,258) by Natural Retreats UK Limited which is included in trade debtors.

##### *Natural Retreats Limited Partnership*

The company's directors EJ Kearney, MD Spence and A Wild together with the controlling party D Gorton have an interest in Natural Retreats Limited Partnership. At 31 March 2015 trade creditors includes £500 (2014 - £500) owing to Natural Retreats Limited Partnership.

The directors EJ Kearney, MD Spence and A Wild by virtue of their interest in K2 Equity Partners LLP together with the controlling party D Gorton have an interest in a number of entities; details of transactions with the group are as follows:

Expenses recharged by the group during the year:

NA Bundoran Farm LLC - £nil (2014 - £1,136)  
NA Greystone Inn LLC - £3,332 (2014 - £3,945)  
Natural Outfitters LLC - £1,678 (2014 - £1,794)  
NA Tsaina Lodge LLC - £3,296 (2014 - £nil)  
Natural Retreats Teton Springs - £875 (2014 - £nil)  
Natural Retreats US LLC £495 (2014 - £nil)

Trade debtors includes the following amount due from the entities:

NA Bundoran Farm LLC - £1,136 (2014 - £1,136)  
NA Greystone Inn LLC - £3,330 (2014 - £3,945)  
Natural Outfitters LLC - £2,555 (2014 - £1,794)  
NA Tsaina Lodge LLC - £3,296 (2014 - £nil)  
Natural Retreats Teton Springs - £875 (2014 - £nil)  
Natural Retreats US LLC £495 (2014 - £nil)

Subsidiaries have entered into a composite unlimited multilateral guarantee dated 22 December 2014 in respect of the bank borrowings of other group companies and K2 Equity Partners LLP. At 31 March 2015 the total borrowings covered by the guarantee amounted to £4,007,063 (2014 - £Nil).

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 15 RELATED PARTY TRANSACTIONS *(continued)*

#### Group *(continued)*

The bank holds a debenture for any borrowings, which includes a fixed charge over all present freehold and leasehold property; a first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and a first floating charge over all assets and undertaking both present and future.

There is a first legal Scottish charge dated 9 December 2014 over John O'Groats House Hotel, John O'Groats, Wick, KW1 4YR.

In accordance with the exemptions conferred by Financial Reporting Standard No. 8, details of transactions with entities 100% of whose voting rights are controlled within the group have not been disclosed.

#### Company

##### *D Gorton*

During the year interest amounting to £2,901,728 (2014 - £2,801,864) was payable to D Gorton, the ultimate controlling party of the company.

Long term creditors include loans amounting to £39,637,530 (2014 - £37,490,861) owing to D Gorton at various interest rates with an indeterminate repayment date.

##### *K2 Equity Partners LLP*

EJ Kearney, MD Spence and A Wild are members of K2 Equity Partners LLP. During the year the company received services to the value of £89,332 (2014 - £46,996) from K2 Equity Partners LLP. During the year the company loaned £48,583 (2014 - £Nil) to K2 Equity Partners LLP. This amount was outstanding at the year end (2014 - £Nil).

##### *Jog 2 Limited*

Natural Assets Investments Limited owns 50% of the issued share capital of a company, Jog 2 Limited, for which the company paid expenses amounting to £14,523 (2014 - £41,005) during the year. At 31 March 2015 the company was owed £183,042 (2014 - £168,519) by Jog 2 Limited, of which £8,817 (2014 - £8,817) has been provided.

##### *Jog 3 LLP*

The company also owns 50% of Jog 3 LLP. At 31 March 2015, Jog 3 LLP owed the company £286,800 (2014 - £314,267), of which £Nil (2014 - £Nil) has been provided.

The company's directors EJ Kearney, MD Spence and A Wild together with the controlling party D Gorton have interests in Natural Retreats Management LLC, a company incorporated in the USA, and Natural Retreats Management Limited. Natural Retreats UK Limited, Natural Retreats Ireland Limited and Natural Retreats US Inc were subsidiaries of Natural Retreats Management Limited until December 2014, when following a reorganisation, Natural Retreats UK Limited, Natural Retreats Ireland Limited and Natural Retreats US Inc became subsidiaries of Natural Retreats Management LLC.

##### *Natural Retreats UK Limited*

During the year ended 31 March 2015 the company paid rent and other expenses amounting to £346,225 (2014 - £545,110) to Natural Retreats UK Limited. At 31 March 2015 the company owed £14,289 (2014 - £37,258) to Natural Retreats UK Limited which is included in trade creditors. During the year the company recharged expenses amounting to £74,160 (2014 - £Nil) to Natural Retreats UK Limited. At 31 March 2015 trade debtors includes £35,896 (2014 - £Nil) owed by Natural Retreats UK Limited.

The company also loaned £200,000 to Natural Retreats UK Limited. At 31 March 2015 the company was owed £Nil (2014 - £200,000) by Natural Retreats UK Limited. The £200,000 balance at 31 March 2014 was written off as a bad debt in the year.

# Natural Assets Investments Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

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### 15 RELATED PARTY TRANSACTIONS *(continued)*

Company *(continued)*

#### *Natural Retreats Ireland Limited*

During the year the company recharged expenses amounting to £Nil (2014 - £44,826) to Natural Retreats Ireland Limited. At 31 March 2015 trade debtors includes £14,872 (2014 - £14,872) owed by Natural Retreats Ireland Limited. Natural Retreats Ireland Limited also owes the company £37 (2014 - £37) for a loan made.

#### *Natural Retreats US Inc*

During the year the company recharged expenses amounting to £Nil (2014 - £3,381) to Natural Retreats US Inc. At 31 March 2015 the company was owed £2,711 (2014 - £2,711) by Natural Retreats US Inc. Trade creditors includes £644 (2014 - £644) owing to Natural Retreats US Inc. The company also loaned £1,190 (2014 - £40,126) to Natural Retreats US Inc. At 31 March 2015 the company was owed £41,316 (2014 - £40,126) by Natural Retreats US Inc.

#### *Natural Retreats Realty US Inc*

The company was also owed £467 (2014 - £467) from Natural Retreats Realty US Inc, a subsidiary of Natural Retreats US Inc, at 31 March 2015.

The company's directors EJ Kearney, MD Spence and A Wild, together with the controlling party D Gorton have an interest in Natural Assets Investments Inc, Natural Asset Investments LLC, NA Bundoran Farm LLC and NA Homestead reserve LLC.

#### *Natural Assets Investments Inc*

During the year the company recharged expenses amounting to £nil (2014 - £2,848) to Natural Assets Investments Inc, Trade debtors includes £2,848 (2014 - £2,848) owing by Natural Assets Investments Inc at the year end.

Natural Assets Investments Inc also owes the company £437,468 (2014 - £14,476) for loans made, which is included in other debtors.

#### *Natural Assets Investments LLC*

The company received services amounting to £5,936 from Natural Assets Investments LLC (2014 - £Nil). Trade creditors includes £5,936 (2014 - £Nil) owing to Natural Assets Investments LLC at the year end.

#### *NA Bundoran Farm LLC*

During the year the company recharged expenses amounting to £1,714 (2014 - £Nil) to NA Bundoran Farm LLC. Trade debtors includes £nil (2014 - £Nil) owing to the company at 31 March 2015.

NA Bundoran Farm LLC also owes the company £1,170 (2014 - £1,170) for loans made.

#### *NA Homestead Reserve LLC*

The company is owed £15,647 (2014 - £15,647) from NA Homestead Reserve LLC at the year end for loans made.

#### *DGFO LLP*

The company director T Dennis and majority shareholder D Gorton have an interest in DGFO LLP.

During the year the company received services amounting to £25,000 (2014 - £25,000) from DGFO LLP. Trade creditors includes £Nil (2014 - £7,500) owing to DGFO LLP at the year end.

#### *End to End Limited*

Natural Assets Investments Limited has a 50% interest in a company End to End Limited. During the year the company loaned End to End Limited £6,000. This amount was outstanding at the year end.



Natural Assets Investments Limited  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 March 2015

15 RELATED PARTY TRANSACTIONS *(continued)*

In accordance with the exemptions conferred by Financial reporting Standard No. 8, details of transactions with entities 100% of whose voting rights are controlled within the group have not been disclosed.

16 SHARE CAPITAL

	2015	2014
	£	£
Allotted and called up:		
600 Ordinary A shares of £1 each	600	600
400 Ordinary B shares of £1 each	400	400
	<u>1,000</u>	<u>1,000</u>

The A ordinary shares and B ordinary shares rank pari passu.

17 RESERVES

Group	Merger reserve £	Investment property revaluation reserve £	Profit and loss account £
Balance brought forward	149,999	3,387,388	(15,220,428)
Loss for the year	-	-	(5,734,704)
Actuarial loss	-	-	(208,729)
Revaluation of fixed assets	-	98,668	-
Transfer on realisation	-	409,156	(409,156)
Balance carried forward	<u>149,999</u>	<u>3,895,212</u>	<u>(21,573,017)</u>
 Company		Merger reserve £	Profit and loss account £
Balance brought forward		149,999	(14,858,221)
Loss for the year		-	(6,008,688)
Balance carried forward		<u>149,999</u>	<u>(20,866,909)</u>

Natural Assets Investments Limited  
 NOTES TO THE FINANCIAL STATEMENTS  
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18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2015	2014
	£	£
Loss for the financial year	(5,734,704)	(4,335,462)
Actuarial loss	(208,729)	-
Revaluation of fixed assets	98,668	2,433,554
Net increase in shareholders' deficit	(5,844,765)	(1,901,908)
Opening shareholders' deficit	(11,682,041)	(9,780,133)
Closing shareholders' deficit	<u>(17,526,806)</u>	<u>(11,682,041)</u>

19 RETIREMENT BENEFITS

Group

Defined contribution

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £18,536 (2014 - £Nil). Contributions totalling £Nil (2014 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

	2015	2014
	£	£
Contributions payable by the group for the year	<u>18,536</u>	<u>-</u>

Defined benefit

A subsidiary company, CairnGorm Mountain Ltd. operates a defined benefit pension scheme, which is funded.

The pension cost and provision for the year ending 31 March 2015 are based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 1 November 2013.

The contribution made for the year ended 31 March 2015 was £20,000 (2014 - £Nil). The agreed contribution rate for future years is 15%.

Value of scheme assets and liabilities:

	2015	2014
	£	£
Market value of assets	992,000	-
Present value of scheme liabilities	1,139,000	-
Deficit in scheme	(147,000)	-
Related deferred tax liability	-	-
Net pension liability	<u>(147,000)</u>	<u>-</u>

Natural Assets Investments Limited  
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19 RETIREMENT BENEFITS *(continued)*

Movement in the year:

	2015	2014
	£	£
Surplus in scheme at 1 April	-	-
Acquired in year	53,729	-
Current service cost	(20,000)	-
Other financial income	8,000	-
Contributions by scheme participants	20,000	-
Actuarial losses	(208,729)	-
	<hr/>	<hr/>
Deficit in scheme at 31 March	(147,000)	-
	<hr/>	<hr/>

The amounts recognised in the profit and loss account are as follows:

	2015	2014
	£	£
Included in operating profit		
Current service cost	20,000	-
	<hr/>	<hr/>
Included in other financial income		
Interest on obligation	37,000	-
Expected return on pension scheme assets	(45,000)	-
	<hr/>	<hr/>
	(8,000)	-
	<hr/>	<hr/>
Total	12,000	-
	<hr/>	<hr/>

Natural Assets Investments Limited  
 NOTES TO THE FINANCIAL STATEMENTS  
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20 PURCHASE OF SUBSIDIARY UNDERTAKINGS

On 11 June 2014 the company purchased the entire issued share capital of CairnGorm Mountain Ltd. for a total consideration of £231,239. This has been accounted for using the acquisition method of accounting.

	Book value £	Fair value adjustment £	Fair value £
Net assets acquired:			
Tangible fixed assets	471,958	-	471,958
Stocks	37,125	-	37,125
Debtors	193,574	-	193,574
Cash at bank and in hand	238,212	-	238,212
Creditors	(439,915)	-	(439,915)
Pension asset	114,000	(60,271)	53,729
	<u>614,954</u>	<u>(60,271)</u>	<u>554,683</u>
Negative goodwill			<u>(323,444)</u>
			<u>231,239</u>
Discharged by:			
Cash consideration			291,510
Balance to be re-paid included in other debtors			(60,271)
			<u>231,239</u>

Following the actuary's review of the pension scheme it was agreed that the fair value was reduced to £53,729.

The total figures for continuing operations in 2015 include the following amounts relating to the acquisition of CairnGorm Mountain Ltd.: - cost of sales £2,529,129, administrative expenses £820,466 and other operating income £8,216.

21 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr D Gorton.