

THE BLAKENEY COTTAGE COMPANY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 29 FEBRUARY 2020

THE BLAKENEY COTTAGE COMPANY LIMITED
REGISTERED NUMBER: 02905848

STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2020

	Note	29 February 2020 £	28 February 2019 £
Fixed assets			
Tangible assets	4	59,313	33,665
Investment property	5	625,000	625,000
		<u>684,313</u>	<u>658,665</u>
Current assets			
Stocks		10,150	9,150
Debtors: amounts falling due after more than one year	6	8,354	8,325
Debtors: amounts falling due within one year	6	444,454	527,119
Cash at bank and in hand		659,608	610,286
		<u>1,122,566</u>	<u>1,154,880</u>
Creditors: amounts falling due within one year	7	(612,904)	(609,998)
Net current assets		<u>509,662</u>	<u>544,882</u>
Total assets less current liabilities		<u>1,193,975</u>	<u>1,203,547</u>
Creditors: amounts falling due after more than one year	8	(164,083)	(157,250)
Provisions for liabilities			
Deferred tax		(5,378)	(5,723)
		<u>(5,378)</u>	<u>(5,723)</u>
Net assets		<u><u>1,024,514</u></u>	<u><u>1,040,574</u></u>
Capital and reserves			
Called up share capital		110	110
Profit and loss account		1,024,404	1,040,464
		<u><u>1,024,514</u></u>	<u><u>1,040,574</u></u>

THE BLAKENEY COTTAGE COMPANY LIMITED
REGISTERED NUMBER: 02905848

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 29 FEBRUARY 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
K E Player
Director

.....
J P R Player
Director

Date: 26 February 2021

The notes on pages 3 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

1. General information

The Blakeney Cottage Company Limited is a private company limited by shares incorporated in England and Wales, registration number 02905848. The registered office is 19 Rutland Terrace, Stamford, Lincolnshire, PE9 2QD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The directors have considered the Company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term. Nevertheless, the directors have considered the current financial strength of the Company, together with the range of measures the directors can take to mitigate ongoing costs should they need to, and ultimately should it be required, the support now being offered by the UK government for which the Company would be eligible to apply.

Based on this, the directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and, based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	reducing balance
Motor vehicles	-	25%	straight line
Fixtures and fittings	-	20%	reducing balance
Office equipment	-	20%	reducing balance

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income statement.

2.11 Investment property

Investment property is carried at fair value determined annually by the Directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Income statement.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2019 - 9).

THE BLAKENEY COTTAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 March 2019	10,412	34,495	12,884	7,898	65,689
Additions	-	49,383	-	-	49,383
At 29 February 2020	10,412	83,878	12,884	7,898	115,072
Depreciation					
At 1 March 2019	7,871	14,656	7,978	1,519	32,024
Charge for the year on owned assets	508	11,873	981	1,276	14,638
Charge for the year on financed assets	-	9,097	-	-	9,097
At 29 February 2020	8,379	35,626	8,959	2,795	55,759
Net book value					
At 29 February 2020	2,033	48,252	3,925	5,103	59,313
At 28 February 2019	2,541	19,839	4,906	6,379	33,665

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	29 February 2020 £	28 February 2019 £
Motor vehicles	27,291	-
	27,291	-

THE BLAKENEY COTTAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

5. Investment property

	Freehold investment property £
Valuation	
At 1 March 2019	625,000
At 29 February 2020	625,000

The 2020 valuations were made by the Directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	29 February 2020 £	28 February 2019 £
Historic cost	573,682	573,682
	573,682	573,682

6. Debtors

	29 February 2020 £	28 February 2019 £
Due after more than one year		
Other debtors	8,354	8,325
	8,354	8,325
Due within one year		
Trade debtors	-	57,390
Other debtors	444,454	469,729
	444,454	527,119

THE BLAKENEY COTTAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

7. Creditors: Amounts falling due within one year

	29 February 2020 £	28 February 2019 £
Bank loans	18,500	18,500
Other loans	-	12,500
Trade creditors	30,292	11,120
Corporation tax	33,596	170,418
Other taxation and social security	120,973	72,384
Obligations under finance lease and hire purchase contracts	4,469	-
Other creditors	392,014	318,506
Accruals and deferred income	13,060	6,570
	<u>612,904</u>	<u>609,998</u>

Secured loans

The bank loans are secured by a fixed and floating charge over the freehold land and buildings and all other assets of the Company. Handelsbanken hold an amount in an interest cover account for the duration of the loan. During the period the amount held increased to £8,354 (2019 - £8,325), this is shown within debtors due over one year.

Hire purchase liabilities are secured upon the assets to which they relate.

8. Creditors: Amounts falling due after more than one year

	29 February 2020 £	28 February 2019 £
Bank loans	138,750	157,250
Net obligations under finance leases and hire purchase contracts	25,333	-
	<u>164,083</u>	<u>157,250</u>

THE BLAKENEY COTTAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

9. Loans

Analysis of the maturity of loans is given below:

	29 February 2020 £	28 February 2019 £
Amounts falling due within one year		
Bank loans	18,500	18,500
Other loans	-	12,500
	<u>18,500</u>	<u>31,000</u>
Amounts falling due 1-2 years		
Bank loans	18,500	18,500
	<u>18,500</u>	<u>18,500</u>
Amounts falling due 2-5 years		
Bank loans	120,250	138,750
	<u>120,250</u>	<u>138,750</u>
	<u>157,250</u>	<u>188,250</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	29 February 2020 £	28 February 2019 £
Within one year	4,469	-
Within one to two years	4,469	-
Within two to five years	20,864	-
	<u>29,802</u>	<u>-</u>

THE BLAKENEY COTTAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,441 (2019 - £491). Contributions totalling £897 (2019 - nil) were payable to the fund at the reporting date.

12. Transactions with directors

At the year end the following amounts were owed to the Company in respect of unsecured loans to the Directors of the Company. The advances made and credits received during the year were as follows:

	Director A 2020 £	Director B 2020 £	Director A 2019 £	Director B 2019 £
Balance at beginning of period	344,512	10,000	149,147	-
Advances made	127,757	-	212,884	10,000
Credits received	(143,031)	(10,000)	(17,519)	-
Balance at end of period	329,238	-	344,512	10,000

13. Related party transactions

The Company occupies a property which is owned by a corporate shareholder of the Company on which no rent is charged. In return, the Company rents out properties on this companies behalf charging a reduced rate of commission. The commission that has not been charged for 2020 is estimated to be £14,000 (2019 - £15,000).

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.