

RM Cottingham Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 5 April 2020

RM Cottingham Limited

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Company Information

Directors JE Cottingham
 LH Cottingham

Company secretary JE Cottingham

Registered office The Office
 Hoe Hill Farm
 Swinhope
 Binbrook
 Lincolnshire
 LN3 8HX

Solicitors Wilkin Chapman
 Cartergate House
 26 Chantry Lane
 Grimsby
 North East Lincolnshire
 DN31 2LJ

Bankers HSBC Bank Plc
 Lincoln
 221 High Street
 Lincoln
 Lincolnshire
 LN11 1TS

RM Cottingham Limited

(Registration number: 00544959)

Balance Sheet as at 5 April 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>4</u>	891	12,334
Tangible assets	<u>5</u>	9,248,313	9,318,488
		<u>9,249,204</u>	<u>9,330,822</u>
Current assets			
Stocks		1,019,964	1,058,244
Debtors	<u>6</u>	551,376	401,455
Cash at bank and in hand		85,657	320,621
		<u>1,656,997</u>	<u>1,780,320</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(1,333,059)</u>	<u>(1,459,244)</u>
Net current assets		<u>323,938</u>	<u>321,076</u>
Total assets less current liabilities		9,573,142	9,651,898
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(2,470,159)</u>	<u>(2,656,200)</u>
Provisions for liabilities: Deferred tax		<u>(150,626)</u>	<u>(168,682)</u>
Net assets		<u>6,952,357</u>	<u>6,827,016</u>
Capital and reserves			
Called up share capital		2,600	2,600
Profit and loss account		<u>6,949,757</u>	<u>6,824,416</u>
Total equity		<u>6,952,357</u>	<u>6,827,016</u>

For the financial year ending 5 April 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 21 December 2020 and signed on its behalf by:

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RM Cottingham Limited

Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

1 General information

The company is a private company limited by share capital incorporated in England and the company registration number is 00544959.

The address of its registered office is:

The Office
Hoe Hill Farm
Swinhope
Binbrook
Lincolnshire
LN3 8HX

These financial statements were authorised for issue by the Board on 21 December 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements cover the individual entity, have been prepared in sterling and are rounded to the nearest pound.

Going concern

Specifically in connection with the current economic climate, the directors have considered the impact of COVID-19 on the business and they are satisfied that the company has sufficient financial headroom to continue trading for at least the next twelve months. For this reason the financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Government grants

Basic payment scheme is received in respect of calendar years. Receipt is contingent upon meeting certain cross compliance rules throughout the scheme year. Once the criteria has been met the income is recognised.

Tax

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

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 taxable

Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous accounting periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	No depreciation
Capital improvements and farm buildings	Straight line basis 10%
Corn driers	Reducing balance basis 10%
Implements and equipment	Reducing balance basis 15%
Tractors, combines and vehicles	Reducing balance basis 15% and 25%

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Entitlements	5 years straight line

Stocks

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 10 (2019 - 8).

4 Intangible assets

	Entitlements £	Total £
Cost or valuation		
At 6 April 2019	37,000	37,000
Additions	1,114	1,114
	<hr/>	<hr/>
At 5 April 2020	38,114	38,114
	<hr/>	<hr/>
Amortisation		
At 6 April 2019	24,666	24,666
Amortisation charge	12,557	12,557
	<hr/>	<hr/>
At 5 April 2020	37,223	37,223
	<hr/>	<hr/>
Carrying amount		
At 5 April 2020	891	891
	<hr/>	<hr/>
At 5 April 2019	12,334	12,334
	<hr/>	<hr/>

RM Cottingham Limited

Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

5 Tangible assets

	Freehold land and buildings £	Capital improvements and farm buildings £	Implements and equipment £	Tractors, combines and vehicles £	Corn driers £	
Cost or valuation						
At 6 April 2019	7,979,857	249,576	524,255	1,676,359	278,252	10,
Additions	160,175	-	6,042	18,658	-	
At 5 April 2020	8,140,032	249,576	530,297	1,695,017	278,252	10,
Depreciation						
At 6 April 2019	-	221,649	369,361	564,030	234,771	1,
Charge for the year	-	6,970	25,825	203,625	18,630	
At 5 April 2020	-	228,619	395,186	767,655	253,401	1,
Carrying amount						
At 5 April 2020	8,140,032	20,957	135,111	927,362	24,851	9,
At 5 April 2019	7,979,857	27,927	153,940	1,113,283	43,481	9,

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Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

6 Debtors

	2020 £	2019 £
Trade debtors	111,012	244,958
Other debtors	344,285	100,670
Prepayments and accrued income	96,079	55,827
Total current trade and other debtors	551,376	401,455

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Bank loans, overdrafts and borrowings	8	487,180	791,638
Trade creditors		268,223	178,810
Taxation and social security		54,476	74,826
Other creditors		502,782	389,455
Accruals and deferred income		20,398	24,515
		1,333,059	1,459,244

Creditors include bank loans and overdrafts which are secured on land owned by the company of £345,114 (2019 - £472,532) and hire purchase liabilities secured on the individual assets of £142,066 (2019 - £319,106).

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	8	2,470,159	2,656,200
Due after more than five years			
After more than five years by instalments		1,080,832	589,011

Creditors include bank loans and overdrafts which are secured on land owned by the company of £2,316,312 (2019 - £2,479,139) and hire purchase liabilities secured on the individual assets of £153,847 (2019 - £177,061).

8 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	2,316,312	2,479,139
Hire purchase liabilities	153,847	177,061

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Notes to the Unaudited Financial Statements for the Year Ended 5 April 2020

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	343,869	472,532
Bank overdrafts	1,245	-
Hire purchase liabilities	142,066	319,106
	<u>487,180</u>	<u>791,638</u>

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The annual amount of financial commitments not included in the balance sheet is £53,572 (2019 - £53,497).

10 Related party transactions

Key management personnel

At the balance sheet date the amount due to the directors was £174,465 (2019 - £168,465).
No interest has been charged in respect of this balance.

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.