

T. N. COOK LIMITED
UNAUDITED
FINANCIAL STATEMENTS
31 MAY 2020

T. N. COOK LIMITED
REGISTERED NUMBER: 01182390

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	846,808	857,212
		846,808	857,212
Current assets			
Stocks	6	288,252	305,265
Debtors: amounts falling due within one year	7	44,675	108,903
Cash at bank and in hand		2,937	1,103
		335,864	415,271
Creditors: amounts falling due within one year	8	(617,228)	(727,541)
Net current liabilities		(281,364)	(312,270)
Total assets less current liabilities		565,444	544,942
Provisions for liabilities			
Deferred tax	9	(39,500)	(39,500)
		(39,500)	(39,500)
Net assets		525,944	505,442
Capital and reserves			
Called up share capital	10	3,000	3,000
Revaluation reserve	11	121,098	121,098
Capital redemption reserve	11	4,000	4,000
Profit and loss account	11	397,846	377,344
		525,944	505,442

T. N. COOK LIMITED
REGISTERED NUMBER: 01182390

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 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 statement of income and retained earnings 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:

J M Cook

Director

Date: 1 February 2021

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

1. General information

The company is a private company limited by shares incorporated and domiciled in the United Kingdom. The company is a tax resident in the United Kingdom. It trades from its registered address at Close House Farm, Otley Road, Skipton, North Yorkshire, BD23 6DR.

The principal activity of the company is the sale of range cookers.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The preparation of these financial statements does not include any adjustments that may be required as a consequence of the COVID-19 pandemic outbreak during March 2020. At the date of the signing of the financial statements, the consequences of COVID-19 on the company and the financial statements are subject to a high level of estimation uncertainty and these financial statements therefore do not include any such adjustments.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the on-going situation with regard to COVID-19 as part of their going concern assessment. The view of the directors is that, while they acknowledge the significant disruption that the pandemic has brought and will continue to bring over the coming weeks and months, the directors feel that the company is well placed to negotiate the unique set of conditions currently facing the UK economy.

In reaching their conclusion, the directors have considered their cash flow for a period of 12 months from the date of sign off, the various financial support measures that have been announced by the UK government, and the availability of funding both externally and internally.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

For the supply of appliances, income is recognised at the date of installation at the customer's premises. Retail sales are recognised at the point of sale. Income from service and repairs is recognised at the date of supply.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% on cost, land is not depreciated
Showroom	-	16.67% on cost
Motor vehicles	-	25% reducing balance
Equipment	-	15% and 25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

2. Accounting policies (continued)

2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

2. Accounting policies (continued)

2.13 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 at an annual general meeting.

2.14 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.

2.15 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 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.

2.17 Borrowing costs

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

2.18 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

2. Accounting policies (continued)

2.19 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.

3. Employees

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

4. Intangible assets

	Goodwill
	£
Cost	
At 1 June 2019	8,000
At 31 May 2020	8,000
Amortisation	
At 1 June 2019	8,000
At 31 May 2020	8,000
Net book value	
At 31 May 2020	-
At 31 May 2019	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

4. Intangible assets (continued)**5. Tangible fixed assets**

	Freehold property £	Showroom £	Motor vehicles £	Equipment £	Total £
Cost or valuation					
At 1 June 2019	850,000	98,151	10,666	264,046	1,222,863
Additions	-	1,666	-	18,712	20,378
Disposals	-	(2,549)	-	-	(2,549)
At 31 May 2020	<u>850,000</u>	<u>97,268</u>	<u>10,666</u>	<u>282,758</u>	<u>1,240,692</u>
Depreciation					
At 1 June 2019	50,000	98,086	9,273	208,292	365,651
Charge for the year on owned assets	10,000	136	368	20,278	30,782
Charge for the year on financed assets	-	(2,549)	-	-	(2,549)
At 31 May 2020	<u>60,000</u>	<u>95,673</u>	<u>9,641</u>	<u>228,570</u>	<u>393,884</u>
Net book value					
At 31 May 2020	<u>790,000</u>	<u>1,595</u>	<u>1,025</u>	<u>54,188</u>	<u>846,808</u>
At 31 May 2019	<u>800,000</u>	<u>65</u>	<u>1,392</u>	<u>55,754</u>	<u>857,211</u>

Included in Freehold property is freehold land at valuation of £350,000 (2019 - £350,000) which is not depreciated.

Cost or valuation at 31 May 2020 is as follows:

	Land and buildings £
At cost	-
At valuation:	
29 January 2014 on an open market value basis	<u>850,000</u>
	<u>850,000</u>

T. N. COOK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

5. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2020 £	2019 £
Cost	748,629	748,629
Accumulated depreciation	(60,000)	(50,000)
Net book value	688,629	698,629

6. Stocks

	2020 £	2019 £
Finished goods and goods for resale	288,252	305,265
	288,252	305,265

7. Debtors

	2020 £	2019 £
Trade debtors	28,548	93,335
Other debtors	16,127	15,568
	44,675	108,903

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	2,571	5,863
Bank loans	-	51,921
Payments received on account	46,599	49,340
Trade creditors	46,857	162,024
Deferred Income	127,662	270,271
Corporation tax	37,000	38,000
Other taxation and social security	58,255	6,293
Other creditors	298,284	143,829
	617,228	727,541

T. N. COOK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2020	2019
	£	£
Bank loans and overdrafts	2,571	57,784
	<u>2,571</u>	<u>57,784</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

9. Deferred taxation

	2020 £	2019 £
At beginning of year	39,500	41,500
Charged to profit or loss	-	(2,000)
At end of year	39,500	39,500

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	11,000	11,000
Deferred tax on revaluation surplus	28,500	28,500
	39,500	39,500

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1,350 (2019 - 1,350) Ordinary A shares of £1.00 each	1,350	1,350
150 (2019 - 150) Ordinary B shares of £1.00 each	150	150
1,200 (2019 - 1,200) Ordinary C shares of £1.00 each	1,200	1,200
150 (2019 - 150) Ordinary D shares of £1.00 each	150	150
75 (2019 - 75) Ordinary E shares of £1.00 each	75	75
75 (2019 - 75) Ordinary F shares of £1.00 each	75	75
	3,000	3,000

All shares carry equal voting rights of one vote per share and have no restrictions on the distribution of dividends and repayment of capital.

11. Reserves**Revaluation reserve**

The reserve arises on the revaluation of the Company's freehold properties. Deferred tax is provided on the reserve at the applicable statement of financial position taxation rates.

Capital redemption reserve

This reserve arises on the repurchase of the share capital of the company from the shareholders and records the nominal value of the shares repurchased.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

12. 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 £16,338 (2019 - £20,170). Contributions totalling £Nil (2019 - £3,287) were payable to the fund at the balance sheet date and are included in creditors.

The company also pays pension premiums on behalf of certain employees amounting to £24,597 (2019 - £20,466).

13. Related party transactions

Included in creditors falling due within one year are loan accounts with the directors as follows:

B T Cook £102,974 (2019 - £87,345)

S M Cook £37,478 (2019 - £5,953)

J M Cook £129,249 (2019 - £17,442)

These balances are interest free and repayable on demand.

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