

REGISTERED NUMBER: 00633546 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 28 February 2019
for
Corbett Farms Limited

Contents of the Financial Statements
for the Year Ended 28 February 2019

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12

Corbett Farms Limited

Company Information
for the Year Ended 28 February 2019

DIRECTORS:

Mrs P Corbett
R G U Corbett
Mrs P A Corbett
Mrs S C Hudson

SECRETARY:

R G U Corbett

REGISTERED OFFICE:

Ox House
Shobdon
Leominster
Herefordshire
HR6 9LT

REGISTERED NUMBER:

00633546 (England and Wales)

AUDITORS:

A D Accounts Limited
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Strategic Report
for the Year Ended 28 February 2019

The directors present their strategic report for the year ended 28 February 2019.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

As a farming business largely based in poultry, the company continues to provide hatching eggs. This along with the company's other main activities are organized in the the following three enterprises:-

Poultry
Cereals and Crops
Apples and Blackcurrants

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

The turnover of the company by departments was as follows:

	2019	2018
	£ 's	£ 's
Poultry	7,050	7,022
Cereals and Crops	266	238
Apples and Blackcurrants	317	432
Miscellaneous sales	22	16
	<u>7,655</u>	<u>7,708</u>

Overall operating profit has decreased to £748,323 (9.8%) from £1,255,587 (16.3% 2018) and profit before tax to £793,733 (£1,273,074 - 2018). Return on capital employed has decreased to 9% (16% - 2018).

PRINCIPAL RISKS AND UNCERTAINTIES

With the prospect of Brexit together with the current economy uncertainties and risks in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside our control.

ON BEHALF OF THE BOARD:

R G U Corbett - Director

20 November 2019

Report of the Directors
for the Year Ended 28 February 2019

The directors present their report with the financial statements of the company for the year ended 28 February 2019.

DIVIDENDS

Dividends totalling £300,000 were paid during the year ended 28 February 2019 in relation to the previous financial year.

The directors recommended dividends per share as follows to be paid during the year ended 28 February 2020 in relation to the year ended 28 February 2019:-

'A' Ordinary £1 shares	NIL
'B' Ordinary £1 shares	£7.40

The total dividends for the year ended 28 February 2019 payable in the following financial year, are £300,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2018 to the date of this report.

Mrs P Corbett
R G U Corbett
Mrs P A Corbett
Mrs S C Hudson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R G U Corbett - Director

20 November 2019

Opinion

We have audited the financial statements of Corbett Farms Limited (the 'company') for the year ended 28 February 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Allan James Davies F.C.C.A. (Senior Statutory Auditor)
for and on behalf of A D Accounts Limited
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

21 November 2019

Statement of Comprehensive Income
for the Year Ended 28 February 2019

	Notes	2019 £	2018 £
TURNOVER	3	7,655,097	7,708,025
Cost of sales		<u>(6,240,312)</u>	<u>(5,755,662)</u>
GROSS PROFIT		1,414,785	1,952,363
Administrative expenses		<u>(1,144,154)</u>	<u>(1,150,031)</u>
		270,631	802,332
Other operating income		<u>477,692</u>	<u>453,255</u>
OPERATING PROFIT	5	748,323	1,255,587
Income from fixed asset investments		30,000	7,500
Interest receivable and similar income		<u>29,596</u>	<u>28,146</u>
		807,919	1,291,233
Amounts written off investments	6	<u>-</u>	<u>(5,922)</u>
		807,919	1,285,311
Interest payable and similar expenses	7	<u>(14,186)</u>	<u>(12,237)</u>
PROFIT BEFORE TAXATION		793,733	1,273,074
Tax on profit	8	<u>(190,388)</u>	<u>(254,672)</u>
PROFIT FOR THE FINANCIAL YEAR		603,345	1,018,402
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
FOR THE YEAR		<u>603,345</u>	<u>1,018,402</u>

The notes form part of these financial statements

Balance Sheet
28 February 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	10	4,099,879	3,763,610
Investments	11	<u>290,452</u>	<u>290,452</u>
		<u>4,390,331</u>	<u>4,054,062</u>
CURRENT ASSETS			
Stocks	12	721,468	824,655
Debtors	13	2,210,599	2,330,331
Cash at bank and in hand		<u>922,685</u>	<u>891,872</u>
		3,854,752	4,046,858
CREDITORS			
Amounts falling due within one year	14	<u>(1,074,533)</u>	<u>(1,234,179)</u>
NET CURRENT ASSETS		<u>2,780,219</u>	<u>2,812,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,170,550	6,866,741
CREDITORS			
Amounts falling due after more than one year	15	(363,241)	(402,777)
PROVISIONS FOR LIABILITIES	18	<u>(191,500)</u>	<u>(151,500)</u>
NET ASSETS		<u>6,615,809</u>	<u>6,312,464</u>
CAPITAL AND RESERVES			
Called up share capital	19	58,039	58,039
Share premium	20	58,565	58,565
Capital redemption reserve	20	19,970	19,970
Retained earnings	20	<u>6,479,235</u>	<u>6,175,890</u>
SHAREHOLDERS' FUNDS		<u>6,615,809</u>	<u>6,312,464</u>

The financial statements were approved by the Board of Directors on 20 November 2019 and were signed on its behalf by:

R G U Corbett - Director

Statement of Changes in Equity
for the Year Ended 28 February 2019

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 March 2017	58,039	5,457,488	58,565	19,970	5,594,062
Changes in equity					
Dividends	-	(300,000)	-	-	(300,000)
Total comprehensive income	-	1,018,402	-	-	1,018,402
Balance at 28 February 2018	58,039	6,175,890	58,565	19,970	6,312,464
Changes in equity					
Dividends	-	(300,000)	-	-	(300,000)
Total comprehensive income	-	603,345	-	-	603,345
Balance at 28 February 2019	58,039	6,479,235	58,565	19,970	6,615,809

Cash Flow Statement
for the Year Ended 28 February 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	1,513,110	1,472,126
Interest paid		(10,398)	(10,491)
Interest element of hire purchase payments paid		(3,788)	(1,746)
Tax paid		(271,888)	(229,194)
Net cash from operating activities		<u>1,227,036</u>	<u>1,230,695</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(731,123)	(194,386)
Purchase of fixed asset investments		-	(290,000)
Sale of tangible fixed assets		47,100	28,558
Sale of fixed asset investments		-	5,922
Interest received		29,596	28,146
Dividends received		30,000	7,500
Net cash from investing activities		<u>(624,427)</u>	<u>(414,260)</u>
Cash flows from financing activities			
Loan repayments in year		(67,820)	(67,788)
Capital repayments in year		31,346	(19,991)
Amount introduced by directors		191,600	538,429
Amount withdrawn by directors		(426,922)	(371,117)
Equity dividends paid		(300,000)	(300,000)
Net cash from financing activities		<u>(571,796)</u>	<u>(220,467)</u>
Increase in cash and cash equivalents		<u>30,813</u>	<u>595,968</u>
Cash and cash equivalents at beginning of year	2	891,872	295,904
Cash and cash equivalents at end of year	2	<u><u>922,685</u></u>	<u><u>891,872</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 28 February 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	793,733	1,273,074
Depreciation charges	361,712	369,382
Profit on disposal of fixed assets	(13,958)	(12,693)
Finance costs	14,186	12,237
Finance income	(59,596)	(35,646)
	<u>1,096,077</u>	<u>1,606,354</u>
Decrease/(increase) in stocks	103,187	(27,305)
Decrease in trade and other debtors	355,054	50,494
Decrease in trade and other creditors	(41,208)	(157,417)
Cash generated from operations	<u><u>1,513,110</u></u>	<u><u>1,472,126</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 28 February 2019

	28.2.19	1.3.18
	£	£
Cash and cash equivalents	<u>922,685</u>	<u>891,872</u>

Year ended 28 February 2018

	28.2.18	1.3.17
	£	£
Cash and cash equivalents	<u>891,872</u>	<u>295,904</u>

Notes to the Financial Statements
for the Year Ended 28 February 2019

1. **STATUTORY INFORMATION**

Corbett Farms Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods.

Turnover from the sale of eggs and other goods is recognised when the significant risks and rewards of the ownership of them has transferred to the buyer. For the sale of eggs, this is usually at the point of hatching. For the sale of other goods, this is usually at the point that the customer has signed for the delivery of the goods.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 4% on cost
Improvements to property	- 16.67% per annum of net book value
Plant and machinery	- 10% on cost

Stocks

Stock is valued using various methods that are intended to estimate the value at the lower of cost or net realisable value, after making due allowances for obsolete and slow moving items. In respect of livestock an estimate of the current cost less provision for reduction in market value is used.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

2. **ACCOUNTING POLICIES - continued**

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement. They are classified as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

3. **TURNOVER**

The analysis of turnover by activity is as follows:

	2019 £	2018 £
Sale of goods	<u>7,655,097</u>	<u>7,708,025</u>

4. **EMPLOYEES AND DIRECTORS**

	2019 £	2018 £
Wages and salaries	1,131,447	1,084,714
Social security costs	<u>100,057</u>	<u>93,836</u>
	<u>1,231,504</u>	<u>1,178,550</u>

The average number of employees during the year was as follows:

	2019	2018
Farming	54	50
Office	2	2
Management	<u>4</u>	<u>4</u>
	<u>60</u>	<u>56</u>

	2019 £	2018 £
Directors' remuneration	<u>161,770</u>	<u>146,968</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	357,279	355,974
Depreciation - assets on hire purchase contracts	4,433	13,406
Profit on disposal of fixed assets	(13,958)	(12,693)
Auditors' remuneration	<u>6,500</u>	<u>5,500</u>

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2019	2018
	£	£
Investments written off	<u>-</u>	<u>5,922</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank loan interest	10,398	10,491
Hire purchase charges	358	79
Leasing	<u>3,430</u>	<u>1,667</u>
	<u>14,186</u>	<u>12,237</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	150,388	269,572
Deferred tax	<u>40,000</u>	<u>(14,900)</u>
Tax on profit	<u>190,388</u>	<u>254,672</u>

UK corporation tax has been charged at 19% (2018 - 19.08%).

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

8. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	793,733	1,273,074
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19.080%)	150,809	242,903
Effects of:		
Expenses not deductible for tax purposes	-	1,129
Income not taxable for tax purposes	(5,700)	(1,431)
Depreciation in excess of capital allowances	2,891	26,971
Adjustments to tax charge in respect of previous periods	2,388	-
Deferred tax charge for the year	40,000	(14,900)
Total tax charge	190,388	254,672

9. **DIVIDENDS**

	2019 £	2018 £
'B' Ordinary £1 shares		
Paid in year	300,000	300,000
Paid after the year end (not recognised as a liability)	300,000	300,000
Paid equity dividends on "B" Ordinary shares	7.40	7.40

Dividends totalling £126,508 were paid to the directors in the year (2018 £126,508).

10. **TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £	Totals £
COST				
At 1 March 2018	2,357,253	3,337,658	4,158,101	9,853,012
Additions	5,706	287,845	437,572	731,123
Disposals	-	-	(75,100)	(75,100)
At 28 February 2019	2,362,959	3,625,503	4,520,573	10,509,035
DEPRECIATION				
At 1 March 2018	359,003	2,575,099	3,155,300	6,089,402
Charge for year	44,594	136,750	180,368	361,712
Eliminated on disposal	-	-	(41,958)	(41,958)
At 28 February 2019	403,597	2,711,849	3,293,710	6,409,156
NET BOOK VALUE				
At 28 February 2019	1,959,362	913,654	1,226,863	4,099,879
At 28 February 2018	1,998,250	762,559	1,002,801	3,763,610

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

10. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 March 2018	133,450
Additions	103,148
Transfer to ownership	(133,450)
At 28 February 2019	<u>103,148</u>
DEPRECIATION	
At 1 March 2018	34,533
Charge for year	4,433
Transfer to ownership	(34,533)
At 28 February 2019	<u>4,433</u>
NET BOOK VALUE	
At 28 February 2019	<u>98,715</u>
At 28 February 2018	<u>98,917</u>

11. **FIXED ASSET INVESTMENTS**

	Unlisted investments £
COST	
At 1 March 2018 and 28 February 2019	<u>290,452</u>
NET BOOK VALUE	
At 28 February 2019	<u>290,452</u>
At 28 February 2018	<u>290,452</u>

12. **STOCKS**

	2019 £	2018 £
Stocks	<u>721,468</u>	<u>824,655</u>

13. **DEBTORS**

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	571,317	924,645
Other debtors	67,751	28,948
Directors' current accounts	320,651	85,329
VAT	96,992	53,490
Prepayments and accrued income	38,293	16,232
	<u>1,095,004</u>	<u>1,108,644</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

13. **DEBTORS - continued**

	2019 £	2018 £
Amounts falling due after more than one year:		
Other debtors	<u>1,115,595</u>	<u>1,221,687</u>
Aggregate amounts	<u>2,210,599</u>	<u>2,330,331</u>

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Bank loans and overdrafts (see note 16)	68,611	67,688
Hire purchase contracts (see note 17)	16,470	14,331
Trade creditors	637,701	669,063
Corporation tax	148,000	269,500
Social security and other taxes	51,656	20,819
Other creditors	144,698	185,381
Directors' current accounts	7,397	7,397
	<u>1,074,533</u>	<u>1,234,179</u>

15. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Bank loans (see note 16)	334,034	402,777
Hire purchase contracts (see note 17)	29,207	-
	<u>363,241</u>	<u>402,777</u>

16. **LOANS**

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year or on demand:		
Bearwood loan	<u>68,611</u>	<u>67,688</u>
Amounts falling due between one and two years:		
Bearwood loan	<u>71,410</u>	<u>68,657</u>
Amounts falling due between two and five years:		
Bearwood loan	<u>223,756</u>	<u>218,819</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bearwood loan	<u>38,868</u>	<u>115,301</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

16. **LOANS - continued**

HSBC plc holds a floating charge over the company's assets together with legal charges over various elements of the company's freehold land and buildings, in order to secure its borrowings.

17. **LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Net obligations repayable:		
Within one year	16,470	14,331
Between one and five years	29,207	-
	<u>45,677</u>	<u>14,331</u>

18. **PROVISIONS FOR LIABILITIES**

	2019 £	2018 £
Deferred tax	<u>191,500</u>	<u>151,500</u>
		Deferred tax £
Balance at 1 March 2018		151,500
Accelerated capital allowances		40,000
Balance at 28 February 2019		<u>191,500</u>

19. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2019 £	2018 £
Number:	Class:			
17,500	'A' Ordinary	£1	17,500	17,500
40,539	'B' Ordinary	£1	40,539	40,539
			<u>58,039</u>	<u>58,039</u>

20. **RESERVES**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 March 2018	6,175,890	58,565	19,970	6,254,425
Profit for the year	603,345			603,345
Dividends	(300,000)			(300,000)
At 28 February 2019	<u>6,479,235</u>	<u>58,565</u>	<u>19,970</u>	<u>6,557,770</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2019

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contribution payable by the company to these funds and amounted to £47,146 (2018 - £44,842). Contributions totalling £5,794 (2018 £4,898) were payable to the funds as at 28 February 2019.

22. OTHER FINANCIAL COMMITMENTS

The company has contracted to lease a vehicle. The agreement commenced on 23rd February 2018 and is to run for 24 months. The total financial commitment not included on the balance sheet is £3,145.

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 28 February 2019 and 28 February 2018:

	2019 £	2018 £
Mrs P Corbett		
Balance outstanding at start of year	12,908	3,313
Amounts advanced	11,052	9,595
Amounts repaid	(10,000)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>13,960</u>	<u>12,908</u>
R G U Corbett		
Balance outstanding at start of year	36,210	124,664
Amounts advanced	268,643	288,054
Amounts repaid	(151,508)	(376,508)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>153,345</u>	<u>36,210</u>
Mrs P A Corbett		
Balance outstanding at start of year	36,210	124,664
Amounts advanced	147,227	73,466
Amounts repaid	(30,092)	(161,920)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>153,345</u>	<u>36,210</u>

After the year end, the balances were repaid.

24. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

25. KEY MANAGEMENT PERSONNEL

The key management personnel are the directors of the company. The total remuneration received by them is shown in note 4.

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