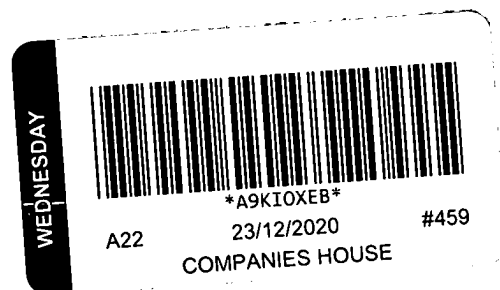


CONSERVATION SHOP LIMITED (THE)

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019



CONSERVATION SHOP LIMITED (THE)

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CONSERVATION SHOP LIMITED (THE)
REGISTERED NUMBER: 01979520

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	8,400	9,600
Tangible assets	6	2,455,187	2,653,500
		<u>2,463,587</u>	<u>2,663,100</u>
Current assets			
Stocks		119,923	111,155
Debtors: amounts falling due within one year	7	94,559	86,855
Cash at bank and in hand		120,343	196,727
		<u>334,825</u>	<u>394,737</u>
Creditors: amounts falling due within one year	8	(5,402,393)	(5,449,043)
Net current liabilities		(5,067,568)	(5,054,306)
Total assets less current liabilities		(2,603,981)	(2,391,206)
Net liabilities		<u>(2,603,981)</u>	<u>(2,391,206)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(2,604,081)	(2,391,306)
		<u>(2,603,981)</u>	<u>(2,391,206)</u>

CONSERVATION SHOP LIMITED (THE)
REGISTERED NUMBER: 01979520

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

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:



.....
Mr W Jordan
Director

Date: 17 December 2020

The notes on pages 3 to 11 form part of these financial statements.

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Conservation Shop (The) Limited is a private company limited by shares and incorporated in England and Wales, registration number 01979520. The registered office is Pensthorpe, Fakenham Road, Fakenham, Norfolk, NR21 0LN.

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 judgment in applying the Company's accounting policies.

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

The following principal accounting policies have been applied:

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.2 Going concern

At 31 December 2019, the Company's current liabilities exceeded its current assets by £5,067,568. The Company meets its financing requirements through an informal loan facility provided by its parent company, Porter and Makins Limited. At the year end, the loan amounted to £5,284,014. The directors have received assurances in writing from the directors of Porter and Makins Limited that Porter and Makins Limited will continue to provide financial support to Conservation Shop (The) Limited to allow it to meet its liabilities as they fall due for a period of at least 12 months from date of signing these accounts and therefore allow it to continue to trade.

As part of their assessment of going concern, the directors have considered the Group and 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 Group, Company and wider economy. As part of their assessment, the directors have prepared forecasts for the next 12 months, showing expected trading, and they have also produced a revised version to reflecting a number of downside scenarios. The directors have used their experience of the past 12 months to December 2020, considered how the Company traded under varying different degrees of lockdowns and taken into account the known level of Government support currently on offer via the CJR scheme through to March 2021.

The situation in the UK with regards to Covid-19 remains highly volatile but the directors feel their worst case scenario is unrealistic in that it would see a downturn in trading on that achieved in 2020. Based on this and the level of financial resources held at the time of signing the financial statements, the directors feel confident they will be able to continue to meet the liabilities within both the Group and Company for a period of 12 months. To give more reassurance, the directors of the parent company have pledged to continue to support to Porter and Makins Limited for a period of 12 months from the date of signing these accounts, which in turn will be provide to the Company via support from its parent company.

Based on this, the directors have concluded that they have a reasonable expectations 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 continue to adopt the going concern basis of accounting in preparing these financial statements.

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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.

The Company recognises membership income at the point the sale is made rather than deferring this over the life of the membership as it is felt that the Company has fulfilled its obligations at this point in time.

2.4 Pensions

The Company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are administered in a fund fully independent from the Company. The pension costs charged in the year represent the contributions payable by the Company in the year.

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Income statement, 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.

2.6 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.

The estimated useful lives range as follows:

Website	-	10	years
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2.7 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.

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Land & buildings	-	over the remainder of the lease
Plant & machinery	-	20% reducing balance
Fixtures, fittings & other equipment	-	20% reducing balance
Office equipment	-	20% reducing balance
Restaurant equipment	-	20% reducing balance

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

2.9 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.

2.10 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.

2.11 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 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.13 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.

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

3. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £3,500 (2018 - nil).

4. Employees

The average monthly number of employees, including directors, during the year was 54 (2018 - 58).

5. Intangible assets

	Website £
Cost	
At 1 January 2019	12,000
At 31 December 2019	<u>12,000</u>
Amortisation	
At 1 January 2019	2,400
Charge for the year	1,200
At 31 December 2019	<u>3,600</u>
Net book value	
At 31 December 2019	<u><u>8,400</u></u>
At 31 December 2018	<u><u>9,600</u></u>

CONSERVATION SHOP LIMITED (THE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Tangible fixed assets

	Leasehold land & buildings £	Plant & machinery £	Fixtures, fittings & equipment £	Office equipment £	Restaurant equipment £	Total £
Cost or valuation						
At 1 January 2019	3,806,056	154,634	460,095	102,714	109,405	4,632,904
Additions	19,286	2,270	13,081	5,626	8,704	48,967
At 31 December 2019	<u>3,825,342</u>	<u>156,904</u>	<u>473,176</u>	<u>108,340</u>	<u>118,109</u>	<u>4,681,871</u>
Depreciation						
At 1 January 2019	1,413,559	106,898	303,648	68,817	86,482	1,979,404
Charge for the year on owned assets	189,143	10,001	33,906	7,905	6,325	247,280
At 31 December 2019	<u>1,602,702</u>	<u>116,899</u>	<u>337,554</u>	<u>76,722</u>	<u>92,807</u>	<u>2,226,684</u>
Net book value						
At 31 December 2019	<u>2,222,640</u>	<u>40,005</u>	<u>135,622</u>	<u>31,618</u>	<u>25,302</u>	<u>2,455,187</u>
At 31 December 2018	<u>2,392,497</u>	<u>47,736</u>	<u>156,447</u>	<u>33,897</u>	<u>22,923</u>	<u>2,653,500</u>

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Debtors

	2019 £	2018 £
Trade debtors	1,849	1,898
Other debtors	58,258	41,711
Prepayments and accrued income	34,452	43,246
	<u>94,559</u>	<u>86,855</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	30,897	47,513
Amounts owed to group undertakings	5,284,014	5,287,746
Other taxation and social security	52,747	63,526
Other creditors	8,983	7,262
Accruals and deferred income	25,752	42,996
	<u>5,402,393</u>	<u>5,449,043</u>

9. Pension commitments

The Company operates a defined contributions pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The Company's commitment at the year end totalled £4,150 (2018 - £8,659). The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,924 (2018 - £24,426).

10. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	6,000	6,000
Later than 1 year and not later than 5 years	24,000	24,000
Later than 5 years	72,000	78,000
	<u>102,000</u>	<u>108,000</u>

CONSERVATION SHOP LIMITED (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. Related party transactions

The Company has taken advantage of the exemptions available under FRS 102 not to disclose balance and transactions with other wholly owned group undertakings.

During the year, the Company made the following transactions with a charity which is under the control of the directors of Conservation Shop (The) Limited.

	2019 £	2018 £
Amounts owed from the charity	45,550	29,412
Recharges paid to the charity	41,125	14,360
Contribution paid to the charity	40,000	40,000
Recharges received from the charity	199,566	208,900

12. Post balance sheet events

Subsequent to the year end the impact of the Covid-19 pandemic became significant with lockdown in the UK in March 2020. This caused the Company's operations to cease entirely from April 2020 to June 2020 which has had a significant impact on turnover for the year to 31 December 2020. The directors consider the event to be non-adjusting and the going concern basis for preparation of the financial statements is deemed appropriate due to the ongoing support from the directors to ensure that sufficient funds are made available to meet all liabilities as they fall due.

13. Controlling party

The ultimate parent company of Conservation Shop (The) Limited is Porter and Makins Limited, a company incorporated in England and Wales, registered office Pensthorpe, Fakenham Road, Fakenham, Norfolk NR21 0LN. The consolidated accounts of Porter and Makins Limited are available from Companies House, Cardiff, CF14 3UZ.

The ultimate controlling party is Mr W Jordan.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 22 December 2020 by Charles Savory FCA (Senior statutory auditor) on behalf of Larking Gowen LLP.