

BROOKSBY NATURAL RESOURCES LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-Jul-20

Company registration 03213822



**BROOKSBY NATURAL RESOURCES LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2020**

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BROOKSBY NATURAL RESOURCES LIMITED

**OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 JULY 2020**

The board of directors	Mr A Wolfe Mrs D Whitemore
Secretary	E B Scotford
Registered Office	The SMB Group Brooksby Melton College Brooksby Melton Mowbray Leicestershire LE14 2LJ
Bankers	Barclays Bank plc Town Hall Square Leicester LE1 9AA
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ
Auditors	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Grove Park Enderby Leicestershire LE19 1SD

BROOKSBY NATURAL RESOURCES LIMITED
THE DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2020

The directors present their report and the audited financial statements for the year ended 31 July 2020.

PRINCIPAL ACTIVITY

The principal activity of the company is to receive royalties from the extraction of sand and gravel from land which forms part of the estate of The SMB Group, formerly named Brooksby Melton College (the company's parent undertaking).

DIRECTORS

The directors and secretary of the company who held office during the year and up to the date of signature of the financial statements were as follows:

Name:	Position:
Mr A Wolfe	Director
Mr T Jones	Director (Resigned 31 January 2020)
Mrs D Whitmore	Director
Mrs S Dickie	Secretary (Resigned 20 November 2020)
E B Scotford	Secretary (Appointed 20 November 2020)

AUDITORS

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

STATEMENT OF DISCLOSURE TO AUDITOR

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board



A Wolfe

Director

24 February 2021

BROOKSBY NATURAL RESOURCES LIMITED
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

The directors are responsible for preparing the Directors' Report 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare 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.

**BROOKSBY NATURAL RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BROOKSBY NATURAL RESOURCES LIMITED
FOR THE YEAR ENDED 31 JULY 2020**

Opinion

We have audited the financial statements of Brooksby Natural Resources Limited (the 'company') for the year ended 31 July 2020 which comprise the Statement of Income and Retained Earnings and Statement of Financial Position and 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 FRS 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 31 July 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's 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.

**BROOKSBY NATURAL RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BROOKSBY NATURAL RESOURCES LIMITED
FOR THE YEAR ENDED 31 JULY 2020**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

**BROOKSBY NATURAL RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BROOKSBY NATURAL RESOURCES LIMITED
FOR THE YEAR ENDED 31 JULY 2020**

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 is 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.

Auditor's 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 an auditor's report 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:

<http://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our auditor's report.

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 an auditor's report 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.

Gareth Jones (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

RSM UK Audit LLP

Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Enderby
Leicestershire
LE19 1SD

Date: 26/02/2021

BROOKSBY NATURAL RESOURCES LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 JULY 2020

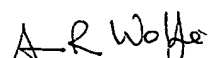
	<i>Note</i>	2020 £	2019 £
Turnover		170,228	562,475
Administrative expenses		(164,665)	(559,401)
Operating profit		<u>5,563</u>	<u>3,074</u>
Interest receivable and similar income		112	174
Profit before taxation		<u>5,675</u>	<u>3,248</u>
Taxation	3	-	(617)
Profit after taxation and profit for the financial year		<u>5,675</u>	<u>2,631</u>
Retained earnings			
At 1 August		<u>(535,839)</u>	<u>(538,470)</u>
Retained earnings			
At 31 July		<u>(530,164)</u>	<u>(535,839)</u>

BROOKSBY NATURAL RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION AT 31 JULY 2020
COMPANY REGISTRATION NUMBER: 03213822

	Note	2020 £	2019 £
Current assets			
Debtors	4	28,012	37,000
Cash at bank and in hand		<u>73,329</u>	<u>41,005</u>
		101,341	78,005
Creditors: amounts falling due within one year	5	<u>(631,503)</u>	<u>(613,842)</u>
Net current liabilities and net liabilities		<u>(530,162)</u>	<u>(535,837)</u>
Capital and reserves			
Called-up share capital	7	2	2
Profit and loss account	7	(530,164)	(535,839)
Shareholder's deficit		<u>(530,162)</u>	<u>(535,837)</u>

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

The financial statements on pages 7 to 12 were approved by the board of directors and authorised for issue on 24 February 2021 and are signed on their behalf by:


A Wolfe
Director


D Whitmore
Director

**BROOKSBY NATURAL RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1 ACCOUNTING POLICIES

Company information

Brooksby Natural Resources Limited is a private company limited by shares incorporated in England and Wales. The registered office is The SMB Group, Brooksby Melton College, Brooksby, Melton Mowbray, Leicestershire, LE14 2LJ.

Basis of accounting

These financial statements have been prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The financial statements have been prepared on a going concern basis. The validity of this assumption depends upon the continued support of the parent undertaking. The parent undertaking has confirmed its willingness to support the financial requirements of the business for at least 12 months from the audit report signing date on these financial statements. On this basis the directors are of the opinion that the company is a going concern.

Turnover

Turnover represents amounts receivable in respect of rental payments, royalty income and the release of option payments from deferred income.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Rental income from assets held under operating leases is recognised on a straight-line basis over the term of the lease.

Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense on rental income and are recognised, on a straight-line basis, over the lease term.

BROOKSBY NATURAL RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

1 ACCOUNTING POLICIES (continued)

Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are classified and accounted for as financial assets, financial liabilities, or equity instruments, according to the substance of the contractual arrangement.

2 EMPLOYEE AND DIRECTOR INFORMATION

The company has no employees. No director received any emoluments from the company in the current or previous accounting period.

3 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2020	2019
	£	£
UK Corporation tax on profits of current year	<u>-</u>	<u>617</u>
Tax on profit on ordinary activities	<u>-</u>	<u>617</u>

BROOKSBY NATURAL RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

4 DEBTORS	2020	2019
	£	£
Amounts falling due within one year		
Trade debtors	28,012	-
Prepayments and accrued income	-	37,000
	<u>28,012</u>	<u>37,000</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Trade creditors	1,603	4,019
Amounts owed to group undertakings	576,589	551,264
Corporation tax	-	617
Other taxation & social security	6,009	27,800
Accruals and deferred income	47,302	30,142
	<u>631,503</u>	<u>613,842</u>

6 OPERATING LEASE COMMITMENTS

The company is committed to paying 95% of all rentals and royalty receipts to its parent under the terms of a 20 year operating lease, which expires in 2023.

7 SHARE CAPITAL AND RESERVES

	2020		2019	
	No	£	No	£
Allotted, called up and fully paid				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Ordinary share rights

The company's ordinary shares, which carry no right to a fixed income, each carry the right to one vote at general meetings of the company.

Profit and loss account

Cumulative profit and loss net of distribution to owners.

8 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2019: none) or balances at the balance sheet date (2019: none) requiring disclosure.

BROOKSBY NATURAL RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

9 ULTIMATE PARENT UNDERTAKING AND CONSOLIDATED ACCOUNTS

The ultimate parent undertaking and controlling party is The SMB Group formerly named Brooksby Melton College, a charity exempt from registration under the Further & Higher Education Act 1992. Copies of the ultimate parent's consolidated financial statements into which the company is consolidated can be obtained from The SMB Group, Brooksby Melton College, Brooksby, Melton Mowbray, Leics, LE14 2LJ. The SMB Group is the parent of the smallest group for which consolidated accounts are drawn up of which the company is a member.