

Company registration number: 03387237

**Orchard Restaurant (Taunton Racecourse) Limited
Filleled Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2020**

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

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ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**(Registration number: 03387237)****Balance Sheet as at 31 May 2020**

| | Note | 2020 £ | 2019 £ |
|---|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | <u>4</u> | 28,137 | 26,593 |
| Current assets | | | |
| Stocks | <u>5</u> | 11,362 | 10,972 |
| Debtors | <u>6</u> | 226,072 | 264,245 |
| Cash at bank and in hand | | <u>73,662</u> | <u>38,017</u> |
| | | 311,096 | 313,234 |
| Creditors: Amounts falling due within one year | <u>7</u> | <u>(74,325)</u> | <u>(79,595)</u> |
| Net current assets | | <u>236,771</u> | <u>233,639</u> |
| Total assets less current liabilities | | 264,908 | 260,232 |
| Provisions for liabilities | | | |
| Deferred tax liabilities | | <u>(3,729)</u> | <u>(2,883)</u> |
| Net assets | | <u>261,179</u> | <u>257,349</u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | <u>261,177</u> | <u>257,347</u> |
| Total equity | | <u>261,179</u> | <u>257,349</u> |

For the financial year ending 31 May 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

(Registration number: 03387237)

Balance Sheet as at 31 May 2020

Approved and authorised by the Board on 24 August 2020 and signed on its behalf by:

M J Foden
Director

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

The principal place of business is:

Orchard Portman
Taunton
Somerset
TA3 7BL

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.

These financial statements are presented in Sterling (£).

The accounts are prepared under the going concern basis of accounting. The directors have assessed the likely impact of the Covid-19 pandemic on the operations of the business, including the company's ability to continue trading.

Up until the UK was put into lockdown on 23 March 2020, the company had been operating in a manner consistent with the previous year. Since then it has been unable to provide its usual services to race-goers, nor host seminars, weddings or other events.

The directors have made a thorough assessment of these challenges, and concluded that given its financial position and the continuing support of its parent, the company is able to subsist until its functions can safely be resumed. Costs and cash requirements will continue to be monitored on a regular basis.

Turnover recognition

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised when goods and services are provided to customers, or functions are held.

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Government grants

Government grants are accounted for under the accruals model with grant income being recognised as related costs are incurred.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 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 income.

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

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

Depreciation of tangible assets

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 |
|----------------------------------|------------------------------|
| Fixtures, fittings and equipment | 25% straight line basis |
| Motor vehicles | 25% straight line basis |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are 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.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

Defined contribution pension obligation

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 payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 11 (2019 - 11).

The average number of additional persons employed by the company for race days and other functions during the year was 13 (2019 - 14).

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

4 Tangible assets

| | Furniture, fittings and equipment £ | Motor vehicles £ | Total £ |
|--------------------------|--|-----------------------------|--------------------|
| Cost or valuation | | | |
| At 1 June 2019 | 196,730 | 15,495 | 212,225 |
| Additions | 20,090 | - | 20,090 |
| At 31 May 2020 | 216,820 | 15,495 | 232,315 |
| Depreciation | | | |
| At 1 June 2019 | 170,137 | 15,495 | 185,632 |
| Charge for the year | 18,546 | - | 18,546 |
| At 31 May 2020 | 188,683 | 15,495 | 204,178 |
| Carrying amount | | | |
| At 31 May 2020 | 28,137 | - | 28,137 |
| At 31 May 2019 | 26,593 | - | 26,593 |

5 Stocks

| | 2020 £ | 2019 £ |
|-------------------------------|-------------------|-------------------|
| Raw materials and consumables | 11,362 | 10,972 |

6 Debtors

| | 2020 £ | 2019 £ |
|---|-------------------|-------------------|
| Trade debtors | 15,358 | 58,284 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 204,369 | 204,503 |
| Other debtors | 6,345 | 1,458 |
| Total current trade and other debtors | 226,072 | 264,245 |

ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

7 Creditors

Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|---------------|---------------|
| Due within one year | | |
| Trade creditors | 12,755 | 29,973 |
| Taxation and social security | 39,588 | 30,796 |
| Corporation tax | 12,398 | 11,926 |
| Other creditors | 9,584 | 6,900 |
| | <u>74,325</u> | <u>79,595</u> |

8 Parent and ultimate parent undertaking

The ultimate controlling party is the Taunton Racecourse Company Limited.

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.