

Company registration number: 04941964

**Braham & Murray Limited**

**Filleted financial statements**

**31 March 2020**

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## **BRAHAM & MURRAY LIMITED**

### **DIRECTORS RESPONSIBILITIES STATEMENT YEAR ENDED 31 MARCH 2020**

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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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

**BRAHAM & MURRAY LIMITED**

**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2020**

	Note	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	5	11,494		15,325	
Tangible assets	6	1,032,971		1,235,893	
			1,044,465		1,251,218
<b>Current assets</b>					
Stocks		702,937		729,204	
Debtors	7	879,654		1,263,101	
Cash at bank and in hand		278,621		817,598	
		1,861,212		2,809,903	
<b>Creditors: amounts falling due within one year</b>	8	(986,794)		(810,162)	
<b>Net current assets</b>			874,418		1,999,741
<b>Total assets less current liabilities</b>			1,918,883		3,250,959
<b>Creditors: amounts falling due after more than one year</b>	9	(930,081)		(141,762)	
<b>Provisions for liabilities</b>			(220,000)		(100,000)
<b>Net assets</b>			768,802		3,009,197
<b>Capital and reserves</b>					
Called up share capital			1,523		1,523
Share premium account	10		8,974,814		8,974,814
Equity components of compound instruments	10		113,128		-
Profit and loss account	10		(8,320,663)		(5,967,140)
<b>Shareholders funds</b>			768,802		3,009,197

The notes on pages 4 to 10 form part of these financial statements.

**BRAHAM & MURRAY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

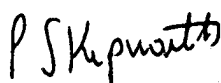
**31 MARCH 2020**

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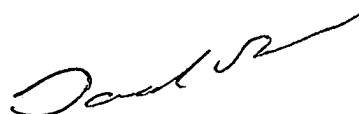
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 6 July 2020.. and are signed on behalf of the board by:



**Mr P H Skipworth**  
**Director**



**Mr D L Shaw**  
**Director**

Company registration number: 04941964

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**The notes on pages 4 to 10 form part of these financial statements.**

## **BRAHAM & MURRAY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2020**

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#### **1. General information**

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Braham & Murray Limited, Collabear Farm, Near Tawstock, Barnstaple, North Devon, EX31 3JZ.

#### **Principal activity**

The principal activity of the company is that of the manufacture and supply of food products.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

The accounts have been prepared on a going concern basis following the parent company agreeing to provide financial support for a period not less than 12 months from the date of signing the financial statements to allow the company to meet their liabilities as they fall due.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature rarely equal the related actual outcome.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to profit or loss.

## **BRAHAM & MURRAY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **YEAR ENDED 31 MARCH 2020**

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#### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intellectual Property	- 20% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Research and development**

Research expenditure is written off in the year in which it is incurred.

#### **Tangible assets**

Tangible fixed assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 20% reducing balance
Fittings fixtures and equipment	- 20/25% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Hire purchase and finance leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements with the interest proportion charged as an expense.

## **BRAHAM & MURRAY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **YEAR ENDED 31 MARCH 2020**

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#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The net proceeds received from the issue of convertible loans are split between a liability component and an equity component at the date of issue. The fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loans and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the company, is included in equity and is not remeasured. The liability component is carried at amortised cost.

The interest expense on the liability component is calculated by applying the prevailing market interest rate, at the time of issue, for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loans.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the payment is made.

#### **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.

#### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 24 (2019: 24).

**BRAHAM & MURRAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2020**

**5. Intangible assets**

	Other intangible assets £	Total £
<b>Cost</b>		
At 1 April 2019 and 31 March 2020	117,861	117,861
<b>Amortisation</b>		
At 1 April 2019	102,536	102,536
Charge for the year	3,831	3,831
At 31 March 2020	106,367	106,367
<b>Carrying amount</b>		
At 31 March 2020	11,494	11,494
At 31 March 2019	15,325	15,325

**6. Tangible assets**

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 April 2019	2,106,142	143,938	2,250,080
Additions	105,638	8,059	113,697
Disposals	(69,596)	-	(69,596)
At 31 March 2020	2,142,184	151,997	2,294,181
<b>Depreciation</b>			
At 1 April 2019	975,482	38,710	1,014,192
Charge for the year	238,748	35,307	274,055
Disposals	(27,037)	-	(27,037)
At 31 March 2020	1,187,193	74,017	1,261,210
<b>Carrying amount</b>			
At 31 March 2020	954,991	77,980	1,032,971
At 31 March 2019	1,130,660	105,228	1,235,888

**BRAHAM & MURRAY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2020****7. Debtors**

	2020	2019
	£	£
Trade debtors	417,431	587,587
Other debtors	462,223	675,514
	<u>879,654</u>	<u>1,263,101</u>

**8. Creditors: amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	645,902	275,603
Accruals and deferred income	99,226	399,618
Social security and other taxes	29,602	30,957
Other creditors	212,064	103,984
	<u>986,794</u>	<u>810,162</u>

Included in 'other creditors' is the hire purchase creditor in the sum of £131,469 (2019: £92,232) which is secured over the associated assets.

**9. Creditors: amounts falling due after more than one year**

	2020	2019
	£	£
Other creditors	<u>930,081</u>	<u>141,762</u>

Included in 'other creditors' is the hire purchase creditor in the sum of £253,072 (2019: £141,762) which is secured over the associated assets. In addition, 'other creditors' also include an amount of £677,009 (2019: £Nil) relating to convertible loans.

**10. Reserves**

Included within Reserves is the equity component associated with convertible debt instruments issued by the company.

## BRAHAM & MURRAY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2020

#### 11. Operating leases

##### The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Later than 1 year and not later than 5 years	<u>85,044</u>	<u>113,378</u>

#### 12. Events after the end of the reporting period

Although there are no specific known factors which could have an impact on the company's financial statements it should be noted that as at the end of the financial year there was instability relating to the global health emergency in respect of Coronavirus.

Coronavirus initially affected China in the first few weeks of 2020. It has since spread to other countries and was declared an international public health emergency by the World Health Organisation at the end of January 2020. The UK introduced lockdown arrangements in March 2020.

Whilst we do not feel that this event and the lockdown which has subsequently followed triggers any adjustments to the financial statements either based upon the position at the year-end or due to events that have transpired since, it is worth noting that there is uncertainty in this area.

The company has started the activity of reviewing the scenario and evaluating the management actions to mitigate the impact to the business. The company has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity, whilst also adhering to the latest government guidance. The repercussions of any adjustments to the financial statements are currently not determinable in light of the volatility of the scenarios and the continuous evolution of the market, these will be reflected in the 2021 financial statements.

#### 13. Summary audit opinion

The auditor's report for the year dated was unqualified.

The senior statutory auditor was David Cresswell, for and on behalf of Thomas Westcott.

**BRAHAM & MURRAY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2020****14. Directors advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

	Loans to / (from) directors at 1 April 2019	Loans to / (from) the directors	Amounts repaid	Balance at 31 March 2020
	£	£	£	£
Directors	<u>17,040</u>	<u>-</u>	<u>(49,200)</u>	<u>(32,160)</u>

	Loans to / (from) directors at 1 April 2018	Loans to / (from) the directors	Amounts repaid	Balance at 31 March 2019
	£	£	£	£
Directors	<u>42,040</u>	<u>(25,000)</u>	<u>-</u>	<u>17,040</u>